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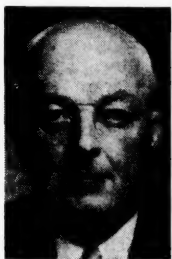
November 5, 1960
64th Year, No. 45

Opinions Elicited By NALU Committee

Nixon, Kennedy Give Their Views On Social Security Vs Insurance

WASHINGTON—"It would seem to me that Vice-president Richard M. Nixon believes that the private sector of our economy should be given all possible opportunity and encouragement to assist individual Americans to provide for their own security before the federal government steps into the picture, whereas Sen. John F. Kennedy views private insurance plans and an even further expanded social security system as being able to operate side by side without harm to the private plan," Chairman Albert C. Adams of the NALU social security committee commented after getting replies from both presidential candidates to his request for their views on expanding social security.

Mr. Adams, who is general agent at Philadelphia for John Hancock and a



Albert C. Adams

past president of NALU, had asked Messrs. Nixon and Kennedy to comment on a statement made to the Senate finance committee in 1950 by Walter P. Reuther, vice-president of AFL CIO, which indicated his preference for raising social security benefits to such a level that private insurance plans would be deemphasized, minimized and ultimately wiped out.

In his reply to Mr. Adams' request, Mr. Nixon indicated strong belief that "federal assistance programs must allow for the encouragement of related activities of private enterprise." He also emphasized that the economic strength of the United States is found

"in the initiative and enterprise of its people."

Mr. Nixon noted that his proposals for medical care for the aged allow for voluntary action and encourage the use of private insurance. He also strongly favored encouraging private enterprise—through tax adjustments if necessary—to meet the needs of the people.

Sen. Kennedy said he had not had the opportunity to read Mr. Reuther's 1950 testimony or discuss the matter

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Variable Annuity Rules Promulgated By D. C. Department

WASHINGTON—The District of Columbia department has promulgated its initial rules and regulations for variable annuity companies. The rules, which become effective Dec. 31, follow:

"The computation of the net investment factor shall be based exclusively upon the investment experience of that account, except as regards contracts issued prior to Dec. 31, 1960, and specifying otherwise.

"No person while serving as an elected or appointed officer or as a director or trustee of any company

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Castro Seizure Of Pan-American Life Cuban Units Likely

A United Press International news report from Havana contains the information that the Cuban operation of Pan-American Life was one of 167 American firms seized and forceably expropriated by the Cuban government. Pan-American Life officials announced that they have received no official notice of the action from the Castro government in the home office, but assume the UPI report is correct. Pan-American has issued the following statement:

"Pan-American Life has long done business in Cuba and regrets exceedingly the action which has been taken by the present government. We particularly deplore the action because of the affect which it will have on our Cuban policyowners, agents and employees. Experience everywhere has shown that a government take-over of private business has always been to the detriment of such persons as well as the nation itself.

Company Assures Policyholders

"We wish to assure our hundreds of thousands of policyowners in the United States and all other countries in which we are doing business that this action by the Cuban government will have no adverse affect upon the financial stability and security of Pan-American. Benefits to insured elsewhere will not be diminished nor will the ratio of surplus to liabilities be

Arizona's 26% Gain In Sept. Ordinary Sales Leads States

Arizona led the other states in percentage increase of ordinary sales in September, with Hawaii second and South Dakota taking third place, according to LIAMA. The respective percentage gains for the three states were 26%, 25%, and 20%.

For the first nine months, Hawaii took the lead in ordinary sales gains with a percentage figure of 23%. Nevada, with an increase of 16%, placed second for the January-September period, and Alaska was third with a gain of 12%.

changed, unless the ratio of surplus be increased.

"This company will take such action as it can under the circumstances to protect the interests of our Cuban policyowners, but under existing conditions it appears that they must henceforth look to the Cuban government until such time as business should be returned to us and normal governmental and business conditions restored."

Midwest Managers Conference Draws 323 To French Lick

9 Speakers Develop Theme Of Management Team Plan; Richard Mueller Is Chairman

FRENCH LICK, Ind.—Field management men, home office and agency, 323 in all, from Massachusetts to Montana and Mississippi to Winnepeg, were here at the 20th annual Midwest Management Conference hearing nine speakers give their methods of developing "Team Play in Management," the theme of the meeting.

Karl H. Kreder, vice-president personnel Metropolitan Life, spoke on "Today's Blue Print for Better Service Tomorrow," outlining his company's recruiting and training process for home office personnel.

Last year in recruiting for home office employees on college campuses, Metropolitan talked to 700 people, asked 100 to take aptitude tests, wanted 62 of the 100, and obtained 28, Mr. Kreder stated. One of the first assignments with new, college-recruited personnel is two weeks in a district office, spending a day in each job in the office, attending meetings with agents, and servicing a debit for a week. "The result is that they forever have respect for the field point of view," Mr. Kreder said.

The speaker also detailed Metropolitan's training program for upper management, which he described as a blend of "academic and practical," with lectures by college instructors and discussions with vice-presidents of the work of their departments or divisions.

Daniel P. Kedzie, director management training American College, spoke on communications. "While the written and spoken word are the most often

(CONTINUED ON PAGE 28)

Rockafellow Heads Institute Of Home Office Underwriters

John D. Rockafellow, director of underwriting of Pacific Mutual Life, was elected president of Institute of Home Office Underwriters at the annual meeting in Washington, D. C. He succeeds I. M. Spear, vice-president of State Farm Life.

Elected as executive vice-president was Clyde R. Dehaas, vice-president, underwriting, of Equitable Life of Washington, D. C. Robert M. Kidd, chief underwriting officer of Ohio National Life, was elected vice-president and editor. Named as convention secretary was W. Ronald Marshall, 2nd vice-president of Paul Revere Life.

Named to serve for two years on the executive committee are Gale P. Osterday, underwriting vice-president of National Public Service Ins. Co., James E. Reeder, vice-president of Independent Life & Accident, William T. Warren Jr., vice-president of Southern Life & Health, and Mr. Spear.



Just 34 months from the date it opened its first agency, Life of North America's life in force exceeded \$500 million. Here, John A. Diemand, president, third from left, congratulates Edmund L. Zalinski, vice-president, as, from left, Vice-Presidents Leland T. Waggoner, Rex H. Anderson and Milton F. Chauner look on.

Underwriters Told How They Can Use Build-Blood Study

How the "1959 Build and Blood Pressure Study," which was issued last year by Society of Actuaries, can be used to advantage by underwriters was discussed by two speakers at the annual meeting of Institute of Home Office Underwriters in Washington, D.C.

The study follows, over a 20-year period, the lives of 5 million life insurance policyholders in reference to their body build, and 4 million policyholders for their blood pressure history.

Andrew C. Webster, vice-president for selection of Mutual of New York, who spoke first, discussed the problems inherent in analyzing the statistics, and recalled the warnings contained in the study itself. He pointed out that the period of the study's exposure, 1935-54, included variations in mortality and variations in underwriting, and that the basic table against which the experience was tested was specially adjusted to allow for these variations and to allow also for the triangular form of the exposures.

Severe And Liberal Selection

He noted the effect of the underwriting practices of the contributing companies, and suggested that some of the results in the study were caused by severe selection, while some seem to show the effect of liberal selection.

The second speaker, Dr. Harry A. Cochran Jr., medical director of Lincoln National Life, said that in light of the indirect and subjective technique of measuring blood pressure, together with the possibility of variations in the blood pressure in a given individual under different circumstances, it should not be surprising that some difficulty will be encountered in defining pre-

(CONTINUED ON PAGE 34)

Finnegan President Of Wisconsin Health Assn.

Wisconsin Assn. of Health Underwriters, at its annual meeting in Milwaukee, elected Robert J. Finnegan, Mutual Benefit H.A., Milwaukee, president to succeed Thomas J. Callahan, Time, Milwaukee. Mr. Callahan advanced to chairman.

Edward L. Dunn, Time, Milwaukee, is the new president-elect, and vice-presidents are Gibson Wright, Eau Claire, and John McGinnis, American Casualty, Milwaukee. Donovan Morrissey, Milwaukee, was elected secretary to replace Leo E. Packard, Milwaukee, who declined reelection for a 16th term. Robert Stafford, Milwaukee, became treasurer.

V. J. Skutt, president of Mutual of Omaha and past president of Health Insurance Assn., in his talk, "The Welfare State vs The Free State," emphasized the advantages of the voluntary way of insuring the public and the danger of continual expansion of government coverages, except for the needy.

Also appearing on the program were Howard Clarke, insurance instructor at Loyola University, who described "How To Cash in on Today's Best Insurance Market," and Chester Elson, Mutual of Omaha, Des Moines.

Mr. Wright won the S. L. Horman man-of-the-year award for 1960. The award was presented by Mr. Horman, vice-president of Time of Milwaukee and winner of the international association's Harold R. Gordon award for this year.

Timetable For LIAMA Annual Meeting Given

Monday, Nov. 14, the first day of the LIAMA annual meeting, to be held at the Edgewater Beach Hotel, Chicago, will be devoted to committee meetings. Following is the timetable of events for the remainder of the meeting:

Tuesday, Nov. 15

9:45 a.m. General session
Address by J. Harry Wood, managing director of LIAMA, "Higher Standards of Excellence."

Legislative forum: John Barker Jr., vice-president New England Life, chairman; W. Douglas Bell, managing director Canadian Health Insurance Assn.; R. Leighton Foster, managing director Canadian Life Insurance Officers Assn.; Robert R. Neal, general manager Health Insurance Assn. of America; W. Lee Shield, executive vice-president American Life Convention; Eugene M. Thore, vice-president and general counsel Life Insurance Assn. of America.

12:15 p.m. Fellowship luncheon. Presidential address by Raymond C. Johnson, vice-president in charge of marketing of New York Life and president of LIAMA.

2:30 p.m. General session on the manpower problem. S. Rains Wallace, LIAMA director of research; Brice F. McEuen, vice-president and agency director Lamar Life; Kenneth W. Perry, vice-president Massachusetts Mutual Life; Ora W. Walk, 2nd vice-president and assistant agency director Southland Life; R. W. Donaldson, vice-president and manager of agencies Pilot Life.

Wednesday, Nov. 16

9:30 a.m. General session.
"Growth planning for the '60s," address by Edward B. Bates, 2nd agency vice-president Connecticut Mutual Life.
"Market of the '60s," a film presentation, with Jacques Megroz of Life magazine as narrator.

Symposium on "What's Happening in the Market Place?" Henry W. Persons, vice-president and director of agencies Lincoln National Life, moderator; R. B. Coolidge, senior vice president Aetna Life; Edward A. Fish, president Equity Annuity Life; Clifford L. Morse, agency vice-president Phoenix Mutual Life; Elmer L. Nicholson, agency vice-president Connecticut General Life; C. R. Petticrew, vice-president and director of agencies of the college division of College Life; John D. Saint Jr., 2nd vice-president Southwest Indemnity & Life; Robert E. Templin, director of agencies Northwestern Mutual Life; William E. Van Brunt Jr., manager salary savings division Equitable Society; L. B. Van Treese, vice-president and director of agencies Wisconsin National Life; George N. Watson, group vice-president Crown Life.

2:30 p.m. General session.
"All Lines—Progress and Problems," address by George H. Shackelford, vice-president life and A&S department Travelers.

"Hello and Good Buy," address by Homer G. Wood, assistant to the vice-president for Sales Mutual of New York.

"What about Conventions?" a presentation by the LIAMA staff: Lewis W. S. Chapman, director of company

relations; Richard N. Boulton, senior consultant; Donald Bramley, director of managerial training; William O. Cummings, director of executive training; Lyle P. Pelton, senior consultant.

3:45 "Amicus Curiae," an address by Lester O. Schriver, executive vice-president National Assn. of Life Underwriters.

Thursday, Nov. 17

9:30 a.m. General session.
"A President Looks at His Agency Department," Frederick L. Wehr, president Monumental Life.

"What Price Progress?" George Dunbar, vice-president in charge of agencies Mutual Life of Canada.

"Wake the Town and Tell the People," Kenneth McFarland, educational consultant General Motors Corp.

GAMC Chairmen Named By Purser

Chairmen for the various committees of General Agent & Managers Conference of NALU have been named by Carr R. Purser, Penn Mutual Life, New York, national chairman.

The new chairmen to serve for the 1960-61 administrative year and their committees are: Walter K. R. Holm Jr., Connecticut Mutual Life, Providence, R.I., area and state meetings; William B. Hoyer, John Hancock, Columbus, O., attendance at convention; L. Kent Babcock Jr., Aetna Life, Philadelphia, budget and also program for conventions; Milton Asfahl, Equitable of Iowa, Oklahoma City, education and training; C. Carney Smith, Mutual Benefit Life, Washington, D.C., elections; Kendrick C. Hawkes, Mutual of New York, Seattle, extension, and Hastings A. Smith, New England Life, Indianapolis, management practices.

Also, Robert B. Pitcher, John Hancock, Boston, membership; Leonard T. Smith, Prudential, Cranston, R.I., nominations and past national chairmen; W. Roy Parsons, Pilot Life, Norfolk, operations manual; David B. Fluegelman, Connecticut Mutual Life, New York, publicity and publications, and Winston W. Wynne, Connecticut General, Miami, resolutions.

Two vice-chairmen named were Dale A. Simpkins, New York Life, Milwaukee, education and training, and Laurel E. Miller, Sun Life of Canada, Los Angeles, rules and regulations.

The new officers of Life Office Management Assn., elected at the annual conference in Toronto, review the meeting program. From left are Charles B. Laing, Prudential, elected LOMA 1st vice-president; Merrill R. Tabor, Berkshire Life, president, and Hess T. Sears, Equitable of Iowa, 2nd vice-president.



Convention Trip Is Held Includible In Income Of Agent

Assn. of Advanced Life Underwriters has bulletined its members as follows about a case involving the taxability of an agent's expenses to company convention.

Rudolph vs. U.S., a recent decision by the U.S. district court in Texas adversely reflects on the tax cost of some life insurance conventions. The taxpayer, Mr. Rudolph, was an insurance agent for Southland Life, which does business in Texas. The company paid all expenses for the attendance of Mr. Rudolph and his wife at a five-day company convention in New York City. Of the entire time that the Rudolphs were in New York, only one morning was devoted to a business meeting. The remainder of the time was spent sightseeing and traveling.

The court held that not only was the value of the trip, which was estimated at \$560 includible in Mr. Rudolph's income, but that such value was not deductible from his income as a business expense.

Held Needlessly Distant

The court stated that while there might have been a business reason for holding a convention in the area served by the insurance company, there seemed to be no reason for a convention "in a place as far away as New York." The court then went on to say:

"All of the evidence considered, we think it irrefutably leads to this conclusion: That the insurance company was just doing a gracious, magnanimous thing in awarding those leading agents a trip just as much as if it had awarded them an automobile, a suit of clothes; similarly the plaintiffs and the other leading agents of Southland were awarded this trip to New York, and the trip to New York cost Southland \$80,000.

"The court's conclusion is that the holding of these conventions generally, and especially the holding of them at remote places, have the primary purpose of affording a pleasure trip which the agent himself, to enjoy, would have paid for out of his own funds if the company had not given it to him, which is in every way in the nature of a reward that would be a bonus."

The three particularly pertinent factors in this case are:

1. The taxpayer's wife accompanied him.

2. The convention was held at a place

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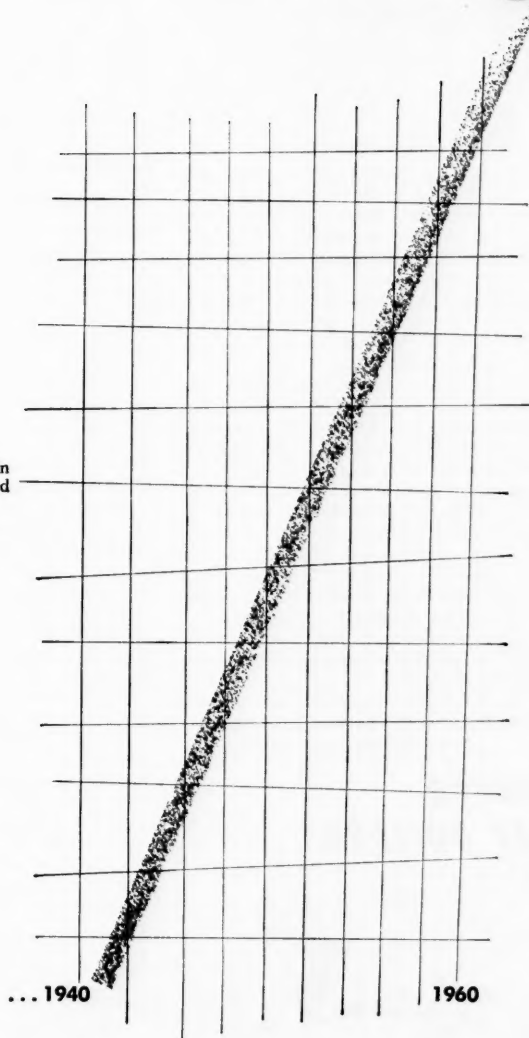
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AGE 19)



Franklin has no sales curve . . . just a straight line **UP***

*Since January 1, 1940 Franklin insurance in force has increased from less than \$200 million to nearly \$4 billion.



An agent cannot long travel at a faster gait than the company he represents!



The Friendly
FRANKLIN LIFE INSURANCE COMPANY

CHAS. E. BECKER, PRESIDENT SPRINGFIELD, ILLINOIS
DISTINGUISHED SERVICE SINCE 1884

One of the 15 Oldest Stock Legal Reserve Life Companies in America
Over Three Billion Eight Hundred Million Dollars of Insurance in Force

USED IN SYNDICATED WEEKLY COLUMN

Samples Of Institute's Answers To Public's Questions Are Given

Recently the Community Feature Service of Frankfort, Ky., offered to some 10,000 weekly newspapers a feature entitled "Family Financial Protection," consisting of questions from the public answered by Institute of Life Insurance. The feature was described in the National Underwriter of Oct. 8. Following are some of the questions and answers in the first dozen columns sent out by the syndicate:

Q. My wife and I are taking a spring vacation in Paris. If we go on a new jet, will our regular life insurance cover us? By the way can those jet pilots buy life insurance?

A. The insurance companies are keeping in step with the jet age. Yes, our policies, new or old, will cover you and your wife if you go in a scheduled airline jet. There is no distinction between jets and other airplanes.

Pilots and crewmen on regularly scheduled jet planes can buy life insurance at standard rates from virtually all companies. In a short span of 20 years, air travel has come from a costly extra risk to a standard risk in a large number of offices.

Q. Why do I have to pay interest on my life insurance policy loan, when it is my policy and my cash value?

A. It is your policy, but the cash value is yours only if you actually take it out and drop the policy. Until that time, the funds you are accumulating in your policy are part of a general fund in which all other policyholders are participating. You can always borrow an amount up to your policy's cash value, of course, but must pay the established interest rate which is specified in the policy.

This interest is necessary, as the

whole life insurance plan is based on anticipated earnings on the total accumulated funds. The entire system would be defeated if non-interest loans were to be made. If it were not for these over-all earnings, the cost of life insurance would be materially greater than it is.

The investment earnings add up, for the business as a whole, to about the equivalent of one-fourth of total premiums. Earnings on the cash values in your policy are a part of this. In fairness to all policyholders and to stabilize the cost structure of insurance, policy loans thus must contribute earnings.

How About Alaska Residence?

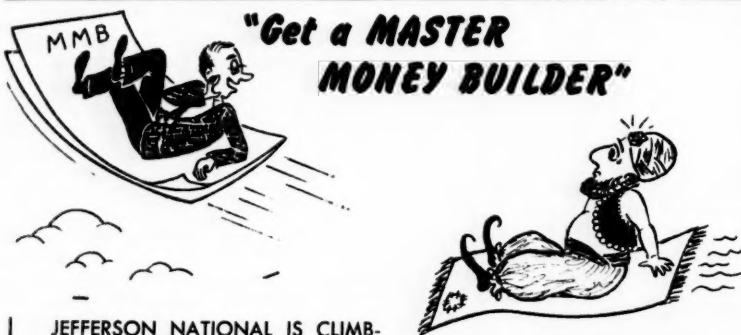
Q. My husband and I have done some talking about pulling up stakes and moving to Alaska. We wonder if our life insurance would be affected. He's an engineer and may go into some pretty remote places. I understand that everything costs more up there. Is this true for policies too? Whatever we do, we want to be fully insured, as we are here.

A. You are wise to look into these things before you take a big step but your fears are groundless. Your life insurance will cover you anywhere in the world, en route to a new home and after your arrival. Life insurance rates will be the same in Alaska and you can buy it there.

There is only one possible problem and that may involve any new insurance. If his new work is risky, he may have to pay a slightly higher premium on new insurance. However, the fact that he travels is not regarded as hazardous in itself.

Q. Our son, aged 18, has diabetes and fortunately its restricts him very

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JEFFERSON NATIONAL IS CLIMBING FAST, and riding the crest of soaring sales are the underwriters presenting today's most modern concept of life insurance.

The MASTER MONEY BUILDER—one of many great package plans—is a real "money-maker" for the agent and an even greater "buy" for the client. Together with the finest Non-Can A & S, a highly competitive Group portfolio, Audio-Visual Films, and the "Powerful Idea" sales track, JNLmen are the maharajahs of the life insurance field.

If you are ready to MOVE UP—fly (don't walk) to investigate our Top Commission Contracts, Recruiting Bonuses, and many other profit-building aids. Wire or write today to BYRON C. JOHNSON, Agency V.P.

JEFFERSON NATIONAL

Life Insurance Company

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Special Opportunities! We have just entered Tennessee, Iowa and Missouri.

Raymond C. Johnson, vice-president in charge of marketing of New York Life, center, receives 100% award for his company in recognition of the fact that its 240 heads of agencies are members in good standing of General Agents & Managers Conference of NALU. C. Carney Smith, Mutual Benefit Life, Washington, D. C., who is vice-chairman of GAMC, makes the presentation as Dale Simpkins New York Life, Milwaukee, looks on. Mr. Simpkins is a GAMC director.



Lincoln National Life Completes Dedication

Lincoln National Life has dedicated and formally opened its new multi-million-dollar home office addition. More than 2,000 invited guests were present for the formal dedication ceremonies which were held out-of-doors on the main entry plaza.

Walter O. Menge, president, delivered the dedicatory address, asking that the building be dedicated "in memory of devoted Lincoln Life people of other days, without whom this occasion could not have come to pass."

Featured speaker was Frederick L. Hovde, president Purdue University, who provided a searching look at the nation's assets, spiritual, intellectual, and material, as an antidote against "the prophets of doom." Special guests included Sen. Homer E. Capehart, Rep. E. Ross Adair, Fort Wayne Mayor Paul M. Burns, and James K. Ashley, Indiana insurance commissioner.

Among the guests given public recognition during the ceremonies was a delegation of 18 of the company's agents and general agents representing the field force of more than 2,400 agents. Sixteen of the agents were winners in their respective areas during the company's President's Month contest. The remaining two were David Warshawsky of Cleveland, "Agent of the Year" for the past five years, and Lester S. Becker, St. Louis, general agent of the leading agency for 1959.

Steere Master Of Ceremonies

Allen C. Steere, vice-president public relations, was master of ceremonies and music for the dedication was furnished by the Fort Wayne Philharmonic Orchestra. Upon conclusion of the formal program, guests were invited to tour the company's new facilities.

Prior to the dedicatory program, Lincoln Life played host at a luncheon for some 500 top-ranking officials representing insurance companies from many parts of the U. S. Employees and their families were entertained at a preview showing of the new facilities on the day prior to the formal program; and on October 16 a special open house was held for Fort Wayne area residents.

Mr. Menge was honored by members of the field force during activities preceding the formal dedication. Leonard Zittrain of Norfolk represented the agents in presenting him with an honor scroll listing the names of all agents who qualified for the President's Honor Guard during the May sales contest. Mr. Zittrain was the contest's national individual winner.

Southwest Management Conference Draws 375

Six speakers touched on a variety of factors involved in agency management at the annual Southwest Management Conference held in Dallas, Oct. 21-22, under sponsorship of Texas General Agents & Managers Conference. Some 375 agency heads from 15 states in the southwest attended.

Speakers and their topics were Nathan P. Paulus, general agent State Mutual Life, Dayton, "Staying Power"; Kenneth P. Dowd, assistant secretary and educational director Phoenix Mutual Life, "The Human Relations Factor"; Travis T. Wallace, president Great American Reserve, "Multiple Line Selling"; Kenneth R. Bentley, manager Mutual Benefit Life, Danville, Ill., "Making Time to Produce"; Harold G. Horn, regional manager Portland Ore., Business Men's Assurance, "Simplified Agency Management"; Kenneth L. Anderson, vice-president RBA Service, "Leadership Is Within."

Gaines Was Chairman

Charles E. Gaines, director of Southern Methodist Institute, directed the speaking sessions as program chairman. Texas General Agents & Managers Conference was host and was represented officially by William B. Bagg, John Hancock, Fort Worth, president, and J. Frank Smith, Southland Life, Dallas, general chairman.

Cleveland CLUs Hear Heubner

Cleveland CLU chapter's October meeting featured the awarding of the designation to 17 men by Solomon S. Heubner, president emeritus American College, who was also the guest speaker.

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Von Braun Cites Space Age Insurance Problems At National (Vt.) Dedication

The space age can be expected to create a whole new set of problems for the life insurance industry, Werner von Braun, famous space scientist and director of the George C. Marshall Space Flight Center at Huntsville, Ala., told some 1,800 guests at the dedication of National Life of Vermont's new home office building.

"Even as our minds are filled with wonder of the space age, there is a growing awareness that this is much more than just a thrilling adventure. Science and technology, politics and

a global scale? Yours is just one of the problems," he declared.

Master of ceremonies for the dedication was L. Douglas Meredith, who read congratulatory telegrams from the White House and Vice-president Richard Nixon. The key to the new building, borne on a satin pillow by Michael Deane Davis, seven-year-old

grandson of President Deane C. Davis, was presented by Ernest M. Hopkins, chairman, to Mr. Davis.

A time capsule, which was placed in the main lobby of the new home office, included forecasts for the year 2000 from Mr. Davis, who is also president of Life Insurance Assn., Sen. George D. Aiken of Vermont, Gov. Robert T. Stafford, Mayor E. B. Colburn of Montpelier and Mayor G. N. Estivill of Barre.

Mr. Davis foresaw \$25 billion of life insurance in force with National Life of Vermont by 2000 and assets of \$7

billion. He said it was "inescapable" that long before 2000 the nation will go through "some pretty bad days of economic adjustment."

He warned, "The country as a whole is spending far more than it saves. Jobs are provided out of capital, and capital results from savings. In industry today it takes over \$20,000 of capital to put one man to work."

"We must put an end to inflation and increase our proportion of savings. I suspect we will relearn these lessons only with the help of economic depression, as we have in the past," he said.



Deane C. Davis, president of National Life of Vermont, places his forecast for the company in the year 2000 into a time capsule appearing in the main lobby of the new home office building. Also placing forecasts in the capsule during ceremony were Sen. George D. Aiken of Vermont and Gov. Robert T. Stafford, seated on the speakers' platform.

religion are involved. And so is insurance," Mr. von Braun said.

"One of the problems that you people had to solve in recent years was the matter of insuring aircraft pilots. What about pilots and passengers of space craft? What about the liability aspects of rocket experimentation on

Ralph H. Patton And Erwin Wald To Be On Program Of N. Y. C. Life Agents Meeting

Ralph H. Patton, superintendent of agencies and director of pension trust sales of Berkshire Life, and Erwin Wald, Penn Mutual Life, will be the speakers at the educational meeting of New York City Life Underwriters Assn. in the north ballroom of the Hotel Astor, Nov. 10, at 2:30 p.m.

Mr. Patton will discuss "The Lowest Cost Pension Plan for the Small Employer." He will survey the factor influencing true costs of a pension plan in actual operation and will demonstrate how the accumulation of cost factors produces some surprising results in small employee groups having a heavy concentration of benefits in a few individuals.

Mr. Wald will describe his prospecting procedures and how he keeps a reservoir of clients.

LONE STAR LIFE cuts administration cost per policy with IBM Series/50

With 2500 policies in force, equipment paid off from the start...
and savings increase as company grows

Convincing evidence that smaller companies can profit from mechanized accounting—right from the early stages of their development—is provided by Lone Star Life Insurance Company of Dallas, Texas.

A month after this company installed Series/50, the machines were handling premium and commission accounting, general ledger, premium billing, stockholder records, reserve valuation and agents' production.

Work was processed from the beginning with greater accuracy and speed, yet with no increase in cost over former methods. In a year, Lone Star's Series/50 was saving

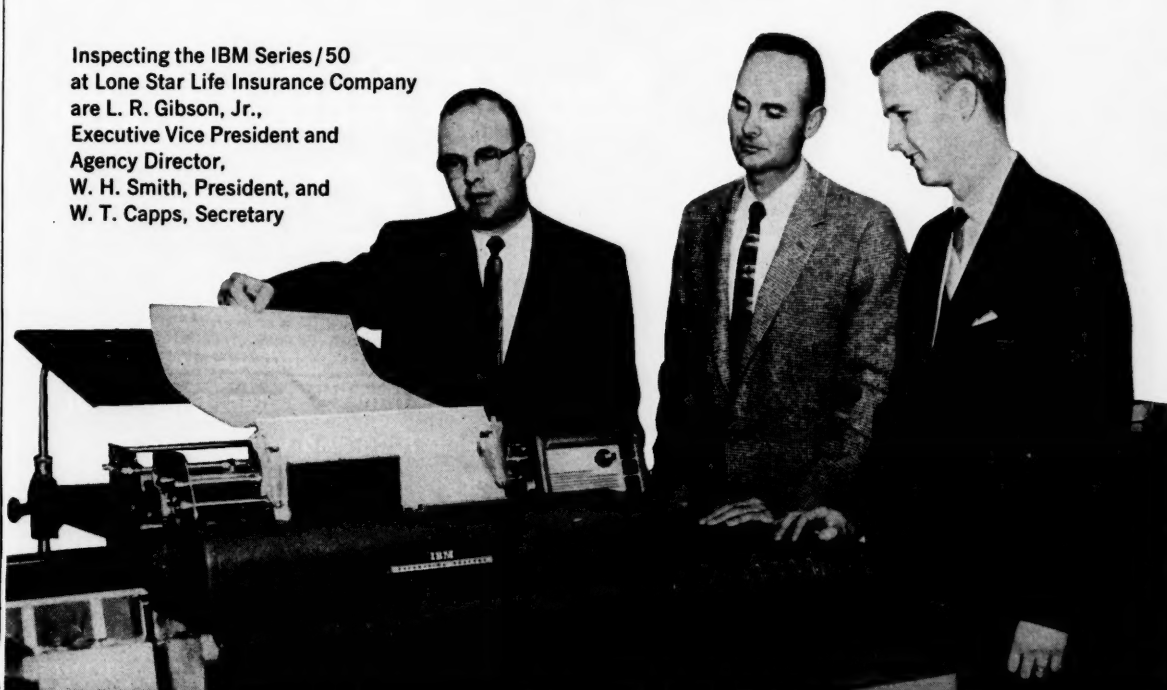
money. Most important: Lone Star is in a position to absorb an increased work load—and make greater savings since administrative cost per policy has been reduced.

Ask your IBM representative for full facts on the Series/50—a complete accounting system designed and priced for the smaller company. Ask him, too, about Balanced Data Processing. It means compatible systems backed by IBM's unique experience and every data processing service you'll ever need.

Like other IBM data processing systems, Series/50 may be purchased or leased.

BALANCED DATA PROCESSING **IBM**

Inspecting the IBM Series/50 at Lone Star Life Insurance Company are L. R. Gibson, Jr., Executive Vice President and Agency Director, W. H. Smith, President, and W. T. Capps, Secretary



DISLIKES CAMPAIGN EXCESSES

Former NALU Trustee Candidate Favors Regional Election Basis

Paul E. Martin, Metropolitan Life manager at Lexington, Ky., writes as follows about the amount of time and effort spent in campaigning for office in NALU. John C. Zimdars, New England Life, Madison, Wis., to whose letter Mr. Martin refers, wrote in support

of an editorial in the Sept. 24 issue on the desirability of cutting down on the elaborateness and cost of campaigns for NALU posts.

The letter from John C. Zimdars in the Oct. 8 issue deals with a matter

that is of great concern to many of us in the life insurance business. I am writing as one having had some experience, because I was a candidate for trustee at our annual meeting in Detroit in 1957, and an unsuccessful one, I might add.

While we in Kentucky were not in a position to conduct as elaborate or reckless campaign as some others, I do feel that the money we spent and the time devoted in our headquarters in Detroit and elsewhere could have been used for a more useful and constructive purpose. The things that go

on in some of the headquarters do not reflect favorably on either the candidate or the good name of the insurance industry.

Could Pay Headquarters Debt

We would not have to be concerned about the indebtedness on our new building if the money spent on various candidates was turned over to the building fund. I believe a partial answer to this matter would be in changing our method of electing trustees, by dividing the states into various zones, with a trustee representing each area, which would comprise one or several states.

This would follow the pattern of our local, state and national elections. It would assure representation from all sections of the country and might require an increased number of trustees—and that would seem desirable, in view of our discontinuing the midyear meeting.

I believe this would help to eliminate the type of contests we have at present and would enable all of those in attendance at the national convention to give their best thought and time to the affairs of the convention and the problems that we are faced with.

Mich. Governor Candidates Debate Functions Of Insurance Department

LANSING—Both candidates for governor favor continuance of a strong insurance department in Michigan, with an expansion of its operations if financially possible, according to answers given by the Republican and Democratic aspirants during the past week in a debate before Detroit Life Underwriters' Assn.

Paul Bagwell, the Republican nominee, said he favored meeting "all reasonable needs" in the matter of state supervision while Lt. Gov. John B. Swainson, the Democratic candidate, said he favored a strengthening of personnel and equipment in the department but feared lack of the needed legislative appropriation for the purpose.

A series of specific questions on insurance supervision was presented the candidates by the association. Both promised, if elected, to choose the best available and qualified man for commissioner. Commissioner Blackford has indicated he will resign at the end of this year although his term will not have expired. He has never been confirmed in office, however, by the Republican-dominated state senate following his appointment nearly two years ago by Gov. Williams. Mr. Bagwell said he thought a commissioner should have some knowledge of the insurance business but Mr. Swainson deemed that unnecessary if he were a "good administrator."

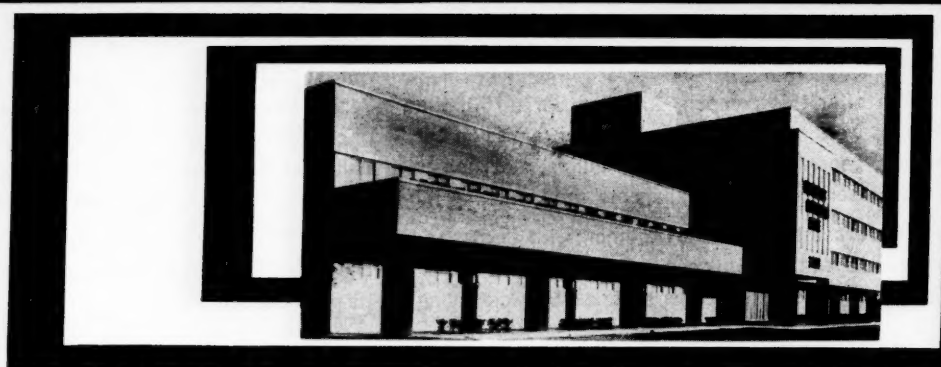
Bagwell Hits Blackford

Mr. Bagwell indicated he did not favor proposals such as one advanced by the present commissioner to make the department merely a part of a larger agency, including banking and supervision of corporations and securities. Mr. Blackford, in another role as a commission member studying streamlining of government agencies, favored consolidation. On this question Mr. Swainson said he had "no pat answer."

Mr. Bagwell said he did not favor creating a separate life insurance division and Mr. Swainson said he felt the present departmentalization set-up provided such a service "for all intents and purposes."

Prudence Life of Chicago has been licensed in Georgia.

Aktieselskabet Som Er Fremadstraebende
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Aksjeselskapet Som Gjører Framskritt
La Compañia Que Va
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Die Gesellschaft Die Voran Ist
Die Vorwärts Strebende Gesellschaft
Het Maatschappij Wat Opmart



In any Language...

Republic National Life

Is the **GO** Company

of the Life Insurance Industry

FOR INFORMATION REGARDING
ACCIDENT AND SICKNESS OPPORTUNITIES
CONTACT ALLEN CURETON
Assistant Vice President and
Director of A. & S. Agencies

Providing Complete Life and Accident and
Sickness Protection in 42 States, District of
Columbia, Puerto Rico and World-wide Reinsurance Service.

REPUBLIC NATIONAL LIFE Insurance Company DALLAS, TEXAS

LIFE • ACCIDENT • SICKNESS • MEDICAL AND SURGICAL REIMBURSEMENT • HOSPITALIZATION
GROUP • PENSION • FRANCHISE • BROKERAGE • COMPLETE REINSURANCE FACILITIES

*This is what you've
been waiting for...*

SIX KEY GENERAL AGENTS WANTED... INCREASED INCOME IMMEDIATE VESTED RENEWALS

*The American Bankers has always endeavored to
set the pace - - - not merely keep up with it.*

IN EIGHT YEARS OF ACTIVE OPERATIONS OVER \$400,000,000 IN FORCE

1959.....\$319,826,276

1956.....127,927,609

1953.....29,675,468

We are continuing to develop a quality Ordinary agency force in depth, producing the highest type of business at a reasonable cost. Our key representatives must be financially solid, reasonably trained, with a responsible standing in the community in which they reside, having the ability to select and direct men.

**THERE IS A REASON FOR OUR PROGRESS
COMPLETE LINE OF VERY COMPETITIVE POLICIES**

INCLUDING

WIFE 20 YEAR TERM RIDER—issued up to \$250,000—50% of husband's insurance. If husband dies or is disabled wife's premium is waived. All these benefits, wife age 30—\$7.00 per \$1,000 annually.

INCREASING PROTECTION PLAN—Terrific package for top income groups
PLUS

STOCK OPTION PLAN—Liberal Option Agreements for both recruiting and personal production.
COMPLETE TRAINING and Agency Building "Know-How" Program.

**WRITE OR WIRE CONCERNING YOUR OPPORTUNITY
IN THIS DYNAMIC ORGANIZATION**

James G. Ranni
Chairman of the Board

James B. Siske
Vice President and Director of Agencies

R. Kirk Landon
President

**AMERICAN BANKERS LIFE
ASSURANCE COMPANY OF FLORIDA**

Home Office



Miami, Florida

Concern Over Costs Dominates Meeting Of Council On Employee Benefit Plans

By WILLIAM MACFARLANE

NEW YORK—If there was one overriding issue that monopolized discussion at the annual conference of Council on Employee Benefit Plans here, it was the problem of costs—how to keep them down, what the company paying the bills can do to prevent their rising, and if they must increase, how

to keep that increase within reasonable, manageable limits.

The council, which was created 14 years ago to stimulate the development and to improve the handling of sound, progressive employee benefit plans in American business, is made up of administrators of such plans of some 60 companies from a variety of industries.

One insurance company—Aetna Life—is a member.

Benefits No Longer 'Fringe'

One example of how concerned this specialized group is with the price of the products its members are responsible for—many of which are provided by insurance companies—is their attitude toward the use of the phrase "fringe benefits." On several occasions throughout the two-day meeting at the Hotel Commodore, speakers qualified their use of the term, pointing out that at one time "fringe" might

have been an appropriate adjective to describe what was in years past an inconsequential cost of operation.

Today, however, many speakers declared, so-called fringe benefits such as A&S and life insurance, pension and profit-sharing plans for employees are an extremely important part of the cost of doing business, and growing in both importance and cost to industry with each passing year.

What assurances did these benefit plan administrators receive from representatives of the insurance business to the effect that costs of group life and A&S would be held in line? In this area, group A&S occupied the center of the stage.

N. E. Horelick, 2nd vice-president, group division, of Equitable Society, addressing the meeting, said present trends suggest continued rising hospital-medical insurance costs.

James E. Stuart, president of Blue Cross Assn., forecast that although the scope of Blue Cross benefits will continue to increase, so will utilization and, therefore, the price of the service provided. Later, during a question and answer period, Mr. Stuart was asked what he thought about the future of deductibles and coinsurance in Blue Cross as a means of keeping down utilization.

He said that he hoped their popularity among Blue Cross plans would

(CONTINUED ON PAGE 24)



WHEN IT COMES TO GROUP... Charley Macey's right at home!

American United's Charles Macey is a *real* Group man. At home, he and Mrs. Macey have seven fine children. At the office, he's Group Secretary—a responsible, experienced American United executive. Charley is an important reason why American United's Group Department has gained such an outstanding reputation among agents, brokers and clients.

Charley knows Group. A Canadian by birth, he served as Navigator in the R.C.A.F. After World War II he came to the United States and helped organize the pension department for one well-known insurance company, served as Group supervisor, and later continued his specialty with a consultant firm . . . all before coming to American United in 1956.

Add to his background, the abilities of the rest of the American United Group team—plus the "Partnership Philosophy."

And you get: Immediate action, exceptional service, and a thorough understanding of field Group problems.

Do you write Group Life Coverages? Then American United, The Company with the "Partnership Philosophy," is for you! For action, contact Sherman M. Jensen, Vice President, Group, American United Life Insurance Company, Fall Creek Parkway at Meridian Street, Indianapolis 6, Indiana, WAInut 3-7201.



AMERICAN UNITED LIFE INSURANCE COMPANY • HOME OFFICE: INDIANAPOLIS, INDIANA

ALL ORDINARY LIFE FORMS-FLEXIBLE OPTIONS-LOW NET COST SPECIALS-UNIQUE JUVENILE-GROUP INSURANCE-GROUP RETIREMENT-PENSION TRUSTS-NON-CANCELABLE DISABILITY-GUARANTEED RENEWABLE MAJOR MEDICAL-GUARANTEED RENEWABLE HOSPITAL & SURGICAL-SPECIALISTS IN SUBSTANDARD UNDERWRITING & REINSURANCE

Ungerleider Comments On Cardiac Impairments

Underwriting cardiovascular impairments was discussed by Dr. Harry E. Ungerleider, consulting medical director of North American Re, at the October meeting of Chicago Home Office Life Underwriters Assn.

Dr. Ungerleider prefaced his remarks by commenting on the political-economic relationship to underwriting. He said insurers must maintain a favorable mortality rate to fill the vacuum created by the loss of profits caused by cheap money.

Speaking on cardiac murmurs, he said the louder the systolic murmur the higher the rating should be. All murmurs are insurable, however. Caution should be used in writing a risk who has a murmur at the apex of the heart, and a complete check of the medical history is in order. When this murmur occurs to people over 45, "do not sit like cherubs and insist that this is an ordinary murmur," he advised. When amounts over \$10,000 are applied for, the medical director should be consulted, and he will usually insist on an electrocardiogram.

Dr. Ungerleider also discussed diastolic murmurs and blood pressure. "The real reason we get high mortality in hyper-reactors is that we don't get the right blood pressures," he said. Doctors think they are helping their patients and that it is cricket to cheat insurance companies in borderline cases. "Therefore, insurance companies in the next few years will increase their blood pressure rates because they are being bilked."

In conclusion, he reiterated the warning that mortality must be guarded because companies cannot afford to dissipate profits when they are faced with a loss of income.



Dr. H. E. Ungerleider

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TIME FOR MORE COVERAGE? This is when MONY can help. Basic MONY policy helps you take care of your immediate needs for

MONY'S 'ADD-ON' YOUR CHANGING

'ADD-ON' is better and economical. You buy a basic policy to cover immediate needs. To meet new needs, add on low-cost riders (subject, of course, to MONY's underwriting requirements).



MONEY FOR COLLEGE. MONY 'ADD-ON' riders, added on to your basic MONY policy, make it easier to guarantee college money for all your children, if you're no longer here.



YOUR RETIREMENT. 'ADD-ON' riders make it easier to plan your future. 'ADD-ON' can help you provide a comfortable retirement income you need.



CHANGING RESPONSIBILITIES? MEET THEM MORE EASILY WITH MONY'S 'ADD-ON' LIFE INSURANCE

'ADD-ON' is the better, economical way to help meet your ever-changing responsibilities. You buy an inexpensive MONY policy to fit your basic needs. As new needs arise, you add low-cost MONY riders to your policy. Subject, of course, to MONY's reasonable underwriting requirements. 'ADD-ON' booklet tells you more about it. Send for a copy.



COLLEGE IN THE FUTURE? MONY's 'ADD-ON' riders make it easier to plan your future. 'ADD-ON' can help you provide a comfortable retirement income you need.



Advertising that Helps Agents Sell

Advertising—direct mail—point of sale—these three lines of communication are neatly tied together in the Mutual Of New York's marketing plan to promote and sell 'ADD-ON' insurance.

In announcing the 'ADD-ON' program to the field force, MONY said: Our advertising and sales development people have worked closely together as a team to give you the most effective merchandising and advertising we have ever had in this company."

"The name 'ADD-ON' was selected to identify a concept which the reader could readily grasp. We want the prospect to understand that he can obtain extremely flexible coverage, tailored to meet his current and future changing needs; when he becomes a MONY policyholder."

MONY field underwriters found 'ADD-ON' most helpful in approaching new prospects as well as established policyholders.

Four Basic Steps

To make this campaign successful MONY has followed sales methods which were proved in the past and

which again have been effective:

First, the design and pricing of the product were planned to give it consumer appeal and to make it easy for the prospect to buy. A series of contract riders make it possible for the insured to add on extra protection and flexibility to a basic MONY policy.

Second, magazine advertising in LOOK, Life, Time, Newsweek and Reader's Digest is used to take the 'ADD-ON' story to a wide audience.

Third, attractive merchandising keeps MONY field underwriters informed of the advertising program and when and where ads will appear. Included in each merchandising kit are sales suggestions and interview materials designed to help the field underwriter increase his sales activity, to promote continuing policyholder service, and to open the way for repeat business.

Constant Promotion

Fourth, the same theme is constantly promoted and repromoted. Advertisements tell the reader: "Here's an improved way to fit life insurance to current circumstances and then to adjust the insurance in later years to meet changing needs."

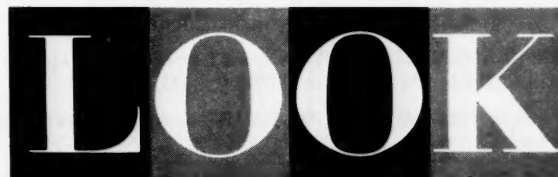
And the proof of the pudding—thanks to a comprehensive program of developing a product with appeal and

a consumer-oriented idea supported by a carefully developed marketing plan, MONY is on its way to the company's biggest year in sales volume!

A Help in Selling

In instructions to its agency organization so they can capitalize on the 'ADD-ON' advertising theme, the company says: "Yes, 'ADD-ON', used with imagination, can help to strengthen

materially the sales techniques of almost every MONY field underwriter. This is true whether your method of selling is geared to the simplest single-needs type of situation, whether it be based on multiple-interview estate planning, or simpler programming, or whether it involves business insurance. Of course the way in which 'ADD-ON' should be used will vary with the basic sales presentation."



The exciting story of people . . . what they do, what they feel, what they want, what they think . . . an everchanging story told with warmth, understanding and wonder.

Reaching into 16,850,000 households with a single issue

Editors Give Views On Insurance Papers' Role

Probe, an insurance bi-weekly publication of comment and opinion, recently asked four insurance newspaper editors for their views on the function of insurance newspapers. In their introductory comment on the four replies, Probe's editors, Ralph G. Engelman, New York insurance consultant, and Halsey D. Josephson, general agent at New York for Connecticut Mutual Life, said:

Having just completed six years of meeting deadlines bi-weekly for our four-page journal, we can now appreciate the great contribution that life insurance weekly trade journals have made to our business over their many years of existence. Probe salutes four of the most prominent of these life insurance weeklies, and is proud to present some pertinent comments on trade paper journalism from the editors of these publications. It's amazing that, working with a limited staff, they can turn out as comprehensive and highly specialized information as they do. The industry is indeed indebted to these dedicated editors and their many colleagues throughout the

country who do so much to keep the wheels of our industry grinding.

Here is the response of Executive Editor Robert B. Mitchell of The National Underwriter to Probe's invitation:

Today, more than ever before, life insurance men can profit by what the insurance newspapers have to offer. Always the news has been important to the well-informed minority in the business who have felt uneasy at not knowing what was going on in the business to which they were devoting their lives.

But today, with business never before so prosperous—but never before so competitive—the field or home office man who tries to operate without knowing what his competition is doing is carrying a heavy and needless handicap, though it may take him a little time to find it out.

Calls Contrast Astounding

The contrast between today's hectic competition and what was going on 30 years ago when I started writing about life insurance is astounding.

Most of the time so little was happening that it was necessary to write what we called "semi-editorial" articles to stand as the main news fare. The hot topic of the day was the newly evolved family income policy: Was it a good thing or was it a dangerous innovation, undermining the life insurance business as we had known it?

Today, even in the summer doldrums, we rarely have to build up a story—it's just a matter of deciding which of various lively happenings should get the biggest play. And nearly all of these happenings have competitive significance for many of our readers.

Keeps All Hands Alerted

This doesn't mean that the top management of a life company sees something in THE NATIONAL UNDERWRITER and then makes a big decision just on the basis of what the article says. But the continuing flow of information about what other companies are doing does serve to keep all hands alerted to what is going on and aware that may be some of these developments ought to be investigated further as a basis for possible decision. This general knowledge of what is happening, plus knowledge of what specific competitors are doing it, is important to have as early as it can be had.

The emphasis in an insurance newspaper, we believe, should be on information—accurate and prompt. Even in editorials we are leery about advancing opinions as such. Everybody is entitled to his opinion. We place a very modest value on our own, except to the extent that they can be supported by facts—or, where facts are insufficient, then by logically developed reasoning.

Much To Tell About

But whether an insurance man reads his insurance newspaper for specific pointers to help him in his day-to-day work or whether he reads it as he does his daily newspaper, to know what is going on, there is so much to tell about in today's fascinatingly fast-moving insurance business that it is hard to see why the insurance papers don't have 10 times the circulation they have.

Editor Clarence Axman of the Eastern Underwriter wrote as follows:

Well conducted weekly insurance journals which follow and report happenings and trends in the industry, small paid circulation, a large readership and exert wide influence. The anomaly about circulation and readership is that a single issue of a journal is generally circulated in many head offices of insurance companies among executives who read, check and then hand over the copy to another executive. Sometimes as many as four weeks go by before the issue is in tatters from continuous reading and so becomes unreadable. In a very large company sometimes a dozen or two subscriptions may be taken.

Edited With Integrity

Insurance papers are edited with integrity. The best of the papers have efficient staffs of competent editors and writers, often also employing correspondents. The papers do as good a job as they can in reporting an industry loaded with underwriters, salesmen, administrators, lawyers, investment and real estate authorities, actuaries, economists and other experts. It is a difficult type of journalism but one essential to the insurance business, which otherwise could not almost immediately learn of principal

(CONTINUED ON PAGE 31)



LOYAL PROTECTIVE'S FABULOUS FIVE—The winners in Loyal Protective Life's July-August sales campaign are honored at the home office. Seated are Lee R. Spence, Portland, Ore., left, and George F. Sullivan, Brookline, Mass. Standing, from left, are Gordon B. Lawry, Brookline; George E. Hawes, Sacramento, and William T. Sturgeon, Cleveland. The five leaders, whose production during the period helped Loyal Protective to have its best sales month ever in August, were the company's guests at the Chatham Bars Inn on Cape Cod. Later, on a tour of historic points of interest in Boston, Plymouth, Cape Cod and Nantucket, they were accompanied by Jerome M. Powell, Loyal Protective president, and Edward L. Doyle, superintendent of agencies.

Confederation Life Offers New Fifth Dividend Option

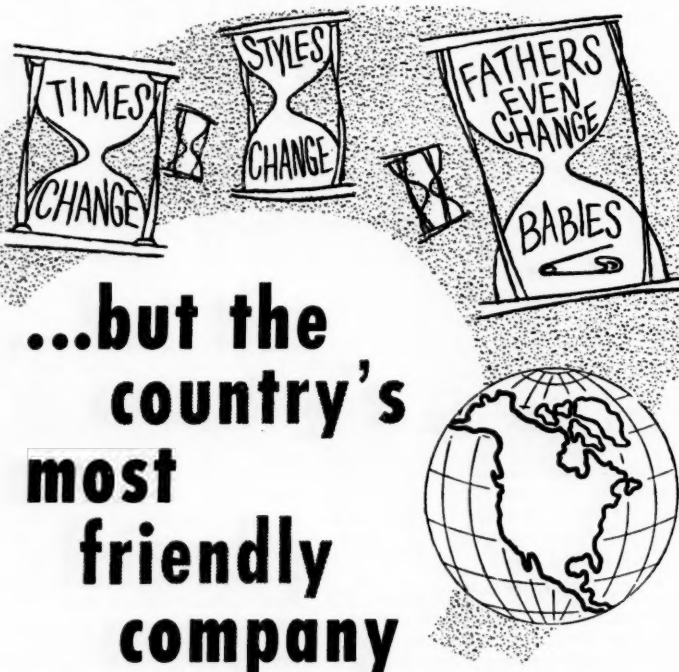
Confederation Life has introduced a novel approach to the fifth dividend option for minimum deposit and split-dollar plans. Called the "Twenty Year Fifth Dividend Option," accumulated dividends are applied to obtain one year of term coverage amounting, not to cash surrender value, but to multiples of 1/20 of the 20th-year cash surrender value.

The option terminates at the end of 20 years or the year in which the accumulated dividends will no longer purchase the stipulated amount of one-year term insurance, if earlier. After termination of the option, subsequent dividends will be accumulated.

New Ill. Insurer

Residents of Illinois are being offered the opportunity to buy stock in Monticello Life of Chicago. This new company is selling 125,000 of its 1,875,000 authorized shares of \$1.60 par at a price of \$3. After the full 15% underwriting commission and discount is removed, the proceeds to the company will be \$318,750.

The reason Monticello Life is being organized, according to the prospectus, is that its incorporators believe there is "a need for another Illinois life insurance company." These incorporators have agreed to subscribe to 15% of the first issue, or a total investment of \$56,250 on the part of the 15 persons involved, the most noted of whom is Terence P. Brennan, the former football coach at Notre Dame University.



...but the country's most friendly company

is still the country's friendliest...

...and progressive, too! Note just a few of our most recent sales-building changes:

- **EXPANDED NON-MEDICAL LIMITS** (Males and Females)—\$20,000 Ages 5 to 35, inclusive; \$10,000 Ages 36-40, inclusive; \$5,000 Ages 41-45, inclusive.
- **NEW LOWER PREMIUM RATES FOR FEMALES**—and regular rates for Waiver of Premium coverage.
- **GRADED PREMIUMS ON LEVEL TERM PLANS**—for example: \$50,000 Ten Year Term Plan, Age 35 (excluding W.P. and D.I.) is only \$5.96 per 1,000 on a gross annual premium basis.

NORTH AMERICAN LIFE
Insurance Company OF CHICAGO

Charles G. Ashbrook, President
Ronald D. Rogers, CLU, Agency Vice President

North American Building

Chicago 3, Illinois

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Changes In The Field

New England Life

Sigmund M. Hyman, who has been with the Savage agency at Baltimore since 1955, has been appointed general agent of a new agency there. He is a CLU, past chairman of the law and legislation committee of Baltimore Life Underwriters Assn., a life and qualifying member of Million Dollar Round Table, a life member of New England Life's Leaders Assn. and, for six years, a member of the company's hall of fame.



Sigmund M. Hyman

Connecticut General

N. Daniel Grumstrup, senior agency assistant in the home office agency department, has been appointed manager of a new brokerage agency at Minneapolis. He joined the Chicago brokerage agency in 1953 and later was transferred to Charlotte, N.C.

General American Life



Ira L. Thomas

Ira L. Thomas has been named a general agent at Fort Worth. He has been in the business since 1946.

Patrick A. Paige has been appointed general agent at Los Angeles, the company's third GA in the area. Mr. Paige entered the business with Mutual of New York in 1952, and has been agency and brokerage manager of Occidental of California since 1955.

Occidental Of California

Joseph N. Connor has been named general agent at Scranton, Pa. For the past 12 years he has been with Prudential, most recently as staff manager at Carbondale, Pa.

Pan-American Life

H. E. Welch, regional group manager at Tulsa, has been appointed general agent there. He entered the life business in 1946 with the group department of John Hancock at Tulsa, later becoming manager. He is a CLU.



H. E. Welch

American Travelers Life

Mehlman Cosby has been appointed general agent at Cleveland. R. A. Bowers has been appointed general agent at Philadelphia.

Sun Life Of Baltimore

Parke Herbert has been appointed general agent at Tampa, where he has been with Metropolitan Life. He is a CLU.

Named general agent at Carlstadt, N.J., is Harold A. Pareti, who has headed a general lines agency there. Manager of the agency is Paul J. Or-

tenzio, who has been with Bankers National Life and Prudential.

Bankers Life, Neb.

The company has appointed Laurence D. Bredwell general agent at Cincinnati. He has been with Life of North America at Chicago as agency manager.

Other new general agents are Jack L. Erickson and John B. Loveland in the Chicago area, and Lisle E. Owens at Rapid City, S. Dak.



L. D. Bredwell

Franklin Life

Two general agents have been appointed: Edgar F. Larsen, former staff manager for Prudential, at Lafayette,

Cal., and Kenneth R. Jeffers at Rochester, Minn.

George L. Sanders has been promoted to regional manager at Tampa replacing Farrar Newberry Jr., who relinquishes the post for direct general agency work.

Aetna Life

Rod J. MacDonald, general agent at Fargo, N.D., has been appointed general agent at Saginaw, Mich., to succeed Charles M. Morgan Jr., who was named general agent at St. Louis. Mr. MacDonald has been assistant general agent at Duluth and Detroit, and was a director and national committeeman of Fargo Life Underwriters Assn.

Succeeding Mr. MacDonald at Fargo is Lawrence M. Cullen, who has been agency controller there for the past five years.

American Mutual Life

Robert W. Alameida has been appointed general agent at Oakland.

AMERICAN EDUCATIONAL LIFE

has appointed K. O. Foster Agency manager at Nashville. He has been a manager for Union Central and an

agent for Jefferson Standard. Fred Friend, formerly general agent for Midwestern United, had been named agency manager at Chattanooga.

LINCOLN LIBERTY—James S. Burleson has been named district manager at Houston.

HAMILTON LIFE OF NEW YORK has appointed Maurice Blond general agent at New York. He has been a general agent for Guardian Life.

GIRARDIAN has appointed two regional managers: Vernon Miller for western Missouri and Kansas, and Henry Ollinger for eastern Missouri.

Southwestern Life Issues \$206 Million In 9 Months

Southwestern Life reports that insurance issued during the first three quarters exceeded \$206 million and insurance in force as of Sept. 30 stood at \$2,071,000,000. New investments totaled \$52,752,237, of which 63% was invested in loans on real estate and 31% in municipal bonds and corporations securities.

35 Years...

This month our Radio Station WSM, and its famous Grand Ole Opry, celebrate their 35th Anniversary.

For the many friends they have made for Shield Men and the many doors they have opened, our hearty congratulations and sincere thanks.



THE
NATIONAL LIFE
AND ACCIDENT
INSURANCE COMPANY
HOME OFFICE - NASHVILLE, TENNESSEE

Home Office Changes

Lincoln National Life

Thomas K. Dyer and William T. Stinchcomb have been named assistant superintendents of agencies.

North American Reassurance

Charles A. Di Falco, director of group insurance, has been named assistant secretary in charge of the group de-

partment. He has been with Union Casualty Life and United States Life.

Charles J. Rozea, assistant secretary and chief underwriter, has been appointed vice-president and chief underwriter.

Dean R. Staats, actuarial assistant, has been promoted to assistant actuary. A fellow of Society of Actuaries, he has been an actuarial supervisor in

the ordinary department of Metropolitan Life.

Dr. Sheldon Preschel becomes assistant medical director. He has been a home office medical examiner for New York Life.

Equitable Society

Bruce L. Roberts, editor of the company's field force publication Agency Items, has been appointed coordinator of community relations and special events in the press relations division and is succeeded by Christian J. Guterl,

a member of the press relations staff since 1953.

Mutual Of New York

Thomas R. Wilcox has been elected a trustee. He is executive vice-president of First National City Bank of New York and president of National City Safe Deposit Co.

Occidental Of California

Richard G. McGandy has been appointed news bureau manager and will work under the supervision of D. F. Sorensen, director of press relations and publications.

Pilot Life

William F. Moreland has been appointed management assistant in the management development program. He was assistant manager of New York Life at Baltimore.

Patriot Life

John G. McLaughlin Jr. has been appointed actuary. He is a fellow of Society of Actuaries and before joining Patriot was with Teachers & Annuity Assn. and the consulting actuarial firms of Kwasha, Lipton & Clarke and the Wyatt Co.

Berkshire Life

John C. Doyle has been appointed training and sales promotion assistant. He has been an agent with New York Life in the Boston area.

Georgia International Life

Franklin D. Woodall has been appointed a member of the underwriting staff. He has been assistant secretary of Universal American Life.

Republic National Life

James K. Goodlad has been appointed medical assistant.

TEXAS LIFE of Waco has named H. B. Shank, formerly assistant vice-president and associate actuary of American General Life, vice-president and actuary.

OLD SECURITY LIFE—J. B. Sturgis has been named executive vice-president. He has been general manager of the company since its founding in 1953.

IDEAL NATIONAL of Salt Lake City has appointed B. T. Kimball superintendent of agencies.

John R. Beckett, president and director Transamerica Corp., has been elected a director of **AMERICAN LIFE** of New York.

Rockwell In Mass. Mutual Ad With Message To Voter

Massachusetts Mutual is featuring a statement on the importance of voting in the coming election and a self-portrait, both by illustrator Norman Rockwell, in an advertisement which is running in national magazines.

Mr. Rockwell is shown looking out of a voting booth and, in a signed statement, saying, "Here I am on Nov. 8th. As you can see, it is not easy for me to make up my mind. But nothing's going to keep me away from the polls. When I vote, I am exercising not only my greatest responsibility as an American citizen, but my greatest privilege, too. I know that this year in particular I am helping to decide what kind of America we are going to have for the rest of my life, and for the generation that will follow me. Believe me, I'm not only going to be in that voting booth this year—I'm asking all my friends to be there, too."



Sign of professional excellence

... Pledge of professional integrity

"In all my relations with clients I agree to observe the following rule of professional conduct: I shall, in the light of all circumstances surrounding my client, which I shall make every conscientious effort to ascertain and to understand, give him that service which, had I been in the same circumstances, I would have applied to myself."

A proud symbol and a solemn pledge . . . reflecting the professional integrity and dedication of the Chartered Life Underwriter . . . who, by training, experience and conviction, places the welfare of his client above his own.



**STATE MUTUAL
OF AMERICA**

State Mutual Life Assurance Company of America, Worcester, Massachusetts

Founded 1844 • Over \$3 billion of Life Insurance in force • LIFE • NON-CANCELLABLE SICKNESS & ACCIDENT • GROUP

Investing Over \$2 Million Each Week for the Growth of American Enterprise

*be farsighted...join **United***



united of omaha's modern
coverage has doubled
its insurance in force
since 1953



NOW! 2 BILLION DOLLARS LIFE INSURANCE IN FORCE

Multiple plans designed to meet the modern needs of its policy-owners have spelled growth for United of Omaha. Since 1953, United has more than doubled its insurance in force. Keep your eye on United in the Sixties! Real career opportunities present themselves with this growing, service-minded company.

And United's Lifetime Career Contract means—extra pay—the United Way!

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A Two-Billion Dollar Life Insurance Company • Home Office: Omaha, Nebraska • Canadian Office: Toronto

Buy-Sell Pact Faulty? Here's The Sales Talk

One of the best-received talks at the recent convention of Assn. of Advanced Life Underwriters at Washington, D. C., was on the sales pattern to follow in business situations where it would obviously be wise to tear up a faulty buy-sell or stock liquidation agreement. Here is what the speaker, Director Hal L. Nutt of the Purdue course, advised doing:



Hal L. Nutt

Let us assume that you know about, or have found, a corporation with an existing buy-and-sell agreement funded by life insurance—with two stockholders each owning a policy on the life of the other. The situation would be substantially the same if this were a stock retirement agreement under which insurance was owned by the corporation and a contract to sell and to retire stock existing between the corporation and the individual stockholders. The situation requires only that there be some form of a funded stock sale in existence.

Other conditions must be met in order to apply the sales pattern to be described:

1. It must be a "basic" business—that is, one that is not dependent upon personal services of the owners and which could, all things being equal, be

bequeathed as a going concern. Two mechanics operating a garage repairing automobiles would probably not qualify. Two men owning a manufacturing business not dependent upon personal reputations probably might. Department stores, contractors, large incorporated farming enterprises and firms manufacturing demand items are good examples of basic businesses.

Wants To Bequeath Share

2. Each owner would like to bequeath his share of the business to heirs.

3. There is a healthy condition of surplus with a reasonable amount of cash or non-related investments in the asset side of the balance sheet. The perfect situation would be one where the owners are becoming afraid of the hazard of a tax imposed upon unreasonable accumulation of surplus, as set forth in sections 531-536 of the internal revenue code.

4. The policies which now fund the buy-and-sell agreement are at least two years old and approach the time where increase in cash value is equal to or approximately equal to premiums paid.

There may be other conditions in the picture and it is not absolutely essential that all of these conditions be met. But the situation just described is not improbable and you will perhaps find these funded buy-and-sell agreements at increasingly frequent intervals. Heretofore, you may have been inclined to conclude that "you

have a problem all right, Mr. Prospect, but it is already solved." But no more. There is yet something you can do, and it is an exciting thing.

We must further assume some details. Let us say that the business is worth \$200,000. It is owned by Mr. A and Mr. B equally. Each life is insured for \$100,000 in a policy of ordinary life insurance with a cash value of approximately \$10,000. This amount supposes that the contracts are about five or six years old. The increase in cash value is at a ratio of approximately \$23 for each \$26 of premium currently being paid. In other words, the difference in premium and cash value increase for \$90,000 of death benefit is at this time only about \$300 per year—a relatively insignificant sum.

Agreement Outside Corporation

If we assume that the buy-and-sell agreement is outside the corporation and that Mr. A owns on Mr. B., and Mr. B owns on Mr. A, we must first recommend that the ownership of the policies be transferred to the corporation. Purchase price might be the cash value or the replacement value, but in either event approximately \$10,000 each. In this way Mr. A and Mr. B both take \$10,000 out of the company without income tax liability, by virtue of the sale without profit of a capital asset. The transaction requires only that the corporation debit cash and reduce surplus accordingly (but remember, we have a corporation possessing too much cash anyway).

If it develops that these contracts are already key man policies, owned by the corporation, this sale is not necessary.

The interview is under way and the time arrives when you must lay something on the line, perhaps in these words:

"Mr. Prospect, you have had excellent advice in the past and already realize that when you plan the disposition of your business interest you have simultaneously created an estate plan which involves the majority of your total assets. That is what you have in mind when you and your associate funded a buy-and-sell agreement with life insurance. Each of you desired that your wife and family receive a guaranteed sum of cash and that the survivor control the business.

Not Necessarily Greed

"It is not for me to say exactly what motivated you to obligate your estate in this way. But you will perhaps agree with me that each of you thought he was going to be the survivor. This is not necessarily 'greed,' but the fact remains that the first to die gets only \$100,000 whereas the survivor then owns a business worth \$200,000 and probably has an option to buy the existing policy on his life at the relatively bargain price of a sum equal to the cash value.

"Assuming that the business continues to enjoy good fortune, it is probable that some day the last to die will bequeath his family a going concern valued at \$200,000 plus \$100,000 of life insurance. Clearly, the first to die has not fared very well. From his point of view, it would have been better to have insured his own life, named his wife the beneficiary, and bequeathed to her his share of the business.

"Under these circumstances his wife would receive the same \$100,000 plus one-half of the business, coming to her at such value as it might be worth. On the other hand, and with a buy-and-sell agreement, it will perhaps develop that the wife of the last to die

(CONTINUED ON PAGE 22)

MacDONALD TELLS A&H MEN:

Automation Doesn't Negate Importance Of The Individual

The continued importance of the individual in a business environment that is becoming more and more automated should never be underestimated, Roy A. MacDonald, managing director of Life Office Management Assn., said at the annual sales congress of Wisconsin Assn. of Health Underwriters in Milwaukee.

The insurance business, Mr. MacDonald said, perhaps like no other, is dependent on people. "In the final analysis everything we do will be accomplished by people."

Mr. MacDonald noted that it was only a few years ago that electronic computers were first employed by business. "It was our industry that pioneered in their use."

In each succeeding year since electronic computers first made their appearance, scientists and engineers have made them more efficient and more reliable, he said.

Popularity Spreading

"Computers have also become smaller, and are beginning to be used by medium-size life and disability insurance companies. In a few years, there is no doubt that these automatic marvels will be used by virtually every insurance company in this country.

"As should have been expected, some companies are experiencing bumps going in installing these electronic machines. But I am happy to say that the industry is learning from its mistakes and will progress by trying and experimenting."

However, he pointed out, even though procedures can be automated or mechanized, and scientific principles of office management employed, the work must be accomplished by people.

Selling the product will always require qualities of human judgment and evaluation that will never be found in a machine, Mr. MacDonald emphasized.

"Interested people, enthusiastic people, spirited people, will produce more with antiquated systems than disinterested, unenthusiastic, dispirited people will do with all the scientific systems that have ever been devised," he said.

Sue Over Ban On

A&S For Buyers Of Autos

Two Washington Auto dealers have filed suit in District of Columbia court for an injunction against new insurance department regulations prohibiting financing of credit A&S on installment sales of cars.

Discount Motor Sales and G.&L. Inc. stated in their petition that by prohibiting such coverage the rules bar a popular type of insurance designed to "protect the purchaser from the mental and financial strain of losing his vehicle in the event of inability to meet payments due to accident or sickness."

Writes AMVET Group

All American L.&C. has been awarded the contract for the group life program of AMVETS and its auxiliary. Enrollment in the plan will be handled by a national mailing campaign. Leonard Davis & Co., employee benefit plan consultants, will administer the AMVET plan from its Washington office.



The answer in part may be seen in the amount of life insurance he himself owns — More than \$100,000 — or in the amount he sells — over three quarters of a million dollars per year.

Who is the man? He is the composite of Fidelity's 75 leading producers for last year.



**The FIDELITY MUTUAL
LIFE INSURANCE COMPANY**
PARKWAY AT FAIRMOUNT AVENUE, PHILADELPHIA, PA.

ASK YOUR SECRETARY FOR PENSION TRUST PROSPECTS ...THEY'RE ONLY A FILE AWAY

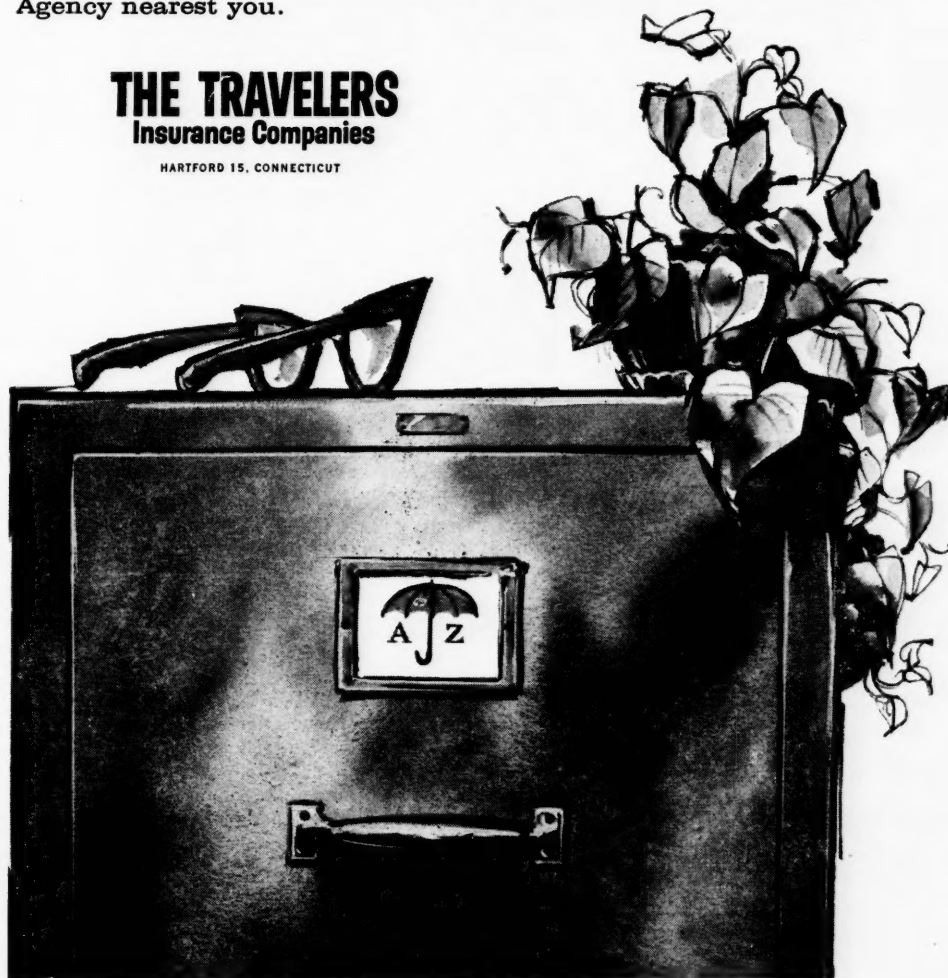
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Maccabee Contingent Attempting To Block Conversion To Mutual

LANSING—Commissioner Blackford of Michigan reports that a dissident group within the Maccabees is attempting to block conversion of the society into a mutual life insurer. Such a change in organizational structure was voted by the membership in 1958.

"A group of members now has asked me to check whether the insurance department could stop this action," Com-

missioner Blackford said. "I advised them their proper recourse was through the courts since all the action taken by the organization so far is within the statutes."

Few Could Control

The dissenting group told the commissioner they felt the change from a fraternal society to a mutual would permit control of the organization by a few persons because of the potential use of proxy votes to perpetuate officers in their posts. Under the fraternal society organizational set-up, they

noted, delegates to the annual conventions hold the power through their votes.

The commissioner said the disgruntled members wished to call a special convention to reconsider the 1958 decision. He said he had no information as to exactly what course would be followed by the protesting group. He said he had instructed them to the effect that they had only two courses of action: Either to bring about a change of the 1958 action by majority vote within the membership or by launching litigation.

Equitable And N.Y.U. Create Mortgage Loan Program For Faculty

New York University and Equitable Society have joined forces in a unique home-buying program designed to assist university faculty members and administrative officers in the purchase of their homes. The plan includes mortgage loans of up to 90% of appraisal.

Called the "Faculty Home Purchase Plan," the program enables prospective home-buyers to borrow up to \$30,000 toward the purchase of owner-occupied, single-family dwellings within daily commuting distance of any New York University campus. Of this amount, Equitable will put up 75% as first mortgage money, with the university supplying an additional 15% through unrestricted endowment funds.

Both loans can be secured at the same time, and all details handled at one closing. Mortgage payments will be made automatically through university payroll deductions.

Faculty, Administrators Eligible

Those eligible for the plan are N.Y.U. faculty members with the rank of assistant professor or above who have, or are about to get, tenure, as well as administrative officers appointed under board contract.

First mortgages may be repaid in monthly installments over a period of 30 years in amounts up to \$30,000 at rates fixed by the insurance company for the area in which the home is located. The university loan is also expected to be repaid on a monthly basis, generally over a period not to exceed five years. Liberal prepayment options are offered under both mortgages.

In the event an N.Y.U. faculty member severs employment, or sells or rents his house, the unpaid balance of the second mortgage becomes due, unless the university has given prior approval. Equitable, however, will continue its first mortgage loan.

Mich. Report Cites Expanded Activity

Michigan's insurance report released by Commissioner Blackford, reveals that insurance activities in the state are still greatly expanding.

For the fifth consecutive year residents paid in excess of \$1 billion for insurance protection. Premiums paid for all types of coverages in 1959 alone totaled \$1,400,591,595, an increase of approximately \$135 million over 1958.

The number of companies licensed and regulated by the department increased in 1959 from 849 to 861 at year end. This increase was the result of 31 new licenses being issued, 15 mergers of licensed insurers, and four companies retiring from the state. From Jan. 1, 1960, through Oct. 19, 1960, an additional 18 companies were admitted for a current total of 879.

The collection of taxes and fees showed an increase of \$1,697,376 and for 1959 reached a new high of \$21,921,668, while the proportion of such income devoted to collection and all types of regulatory administration continued to decline, moving from 1.75% in 1958 to 1.73% in 1959.

The forceful impact of this business is best illustrated by the fact that licensed insurers in 1959 paid Michigan residents \$754,031,151 in benefits. According to department estimates, life insurance in force covering all residents of the state now exceeds \$24,500,000,000.



THIS MAN WON'T SIT STILL IN THE LIFE INSURANCE BUSINESS

He'll go far. And he knows thorough training is essential to his future progress. That's why he's quite likely to be one of many taking advantage of Aetna Life's intensive five-step program which stresses every phase of underwriting and selling necessary to build a successful life insurance career.

Aetna Life Trains for Success

AETNA LIFE
INSURANCE COMPANY

Affiliates: Aetna Casualty and Surety Company

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1 Basic Estate Control Plan School. A four-week course at the Home Office with expert instructors teaching proved sales plans.

2 Career Course. Under the general agent's supervision, field work is combined with text book study.

3 Advanced Training. Business insurance and tax courses at the general agency supplemented by field schools and clinics.

4 C.L.U. Participation. The company provides financial assistance for text books and examinations.

5 Leaders Seminars and Regional Meetings. Men who qualify exchange ideas with other top salesmen, Home Office personnel and prominent men from business and industry.

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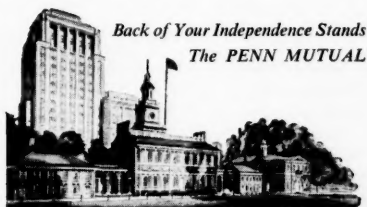


The Penn Mutual Life Insurance Company welcomes underwriters who are determined to make better-than-average progress. Their success, we believe, becomes the success of the company, and everyone benefits.

That is why, if you are interested in moving to the front, you will find abundant opportunities and help at The Penn Mutual. You can take advantage of intensive training and educational programs tailored to equip

you for all phases of successful life insurance selling—from advanced underwriting and estate planning to profit-sharing and pension plans.

Thus, you can be certain that The Penn Mutual will help you get ahead. We believe that great opportunities are available to Penn Mutual men whether in direct sales, sales supervision or General Agency work... and their future is the future of the company.



★ ★ ★
THE PENN MUTUAL LIFE INSURANCE COMPANY
INDEPENDENCE SQUARE, PHILADELPHIA

Editorial Comment

Credit Cards And Accident Coverage

Years ago the \$10 automobile accident policy or variations of that priced coverage were used to get new agents or agency solicitors into business quickly and to effect an introduction of an existing agent or agency to new clients. Some agencies and companies have continued to use this route for business building. There is a persistent personal interest in accident coverage which has grown with the population and with the complication and multiplication of ways in which persons can get killed, maimed, or banged up.

It is not surprising that the oil companies, those who collect for eating by means of a credit card, and other promoters of credit card use, in co-operation with a few companies and agents who are looking for business, now should be going after dollars in this fertile field. The credit card offers convenience of payment to insured. Sales are promoted also at points where there is big traffic of people—airports, filling stations, railroads, and even subways. Note also that if these persons have not thought of the possibility of personal involvement in an accident before, they are apt to do so when boarding an airplane, getting on a train, plunging into a subway, or starting a 500-mile auto tour.

Life and property agents naturally are disturbed by the use of credit card names to solicit accident insurance sales wholesale. However, in recent denunciations of the practice, several producers have pointed out that one of the oil companies states that agents are not selling the coverage, or are not selling it to everyone who wants to buy it. One of the outboard motor builders made a similar charge when criticized for allowing solicitation of boat insurance in the outboard sales kit.

It is reported that more oil companies and other companies whose merchandising efforts reach a great many members of the public are going to get into accident insurance solicitation. It builds up the bills and makes them a little more money.

Whether the agents can get the companies that are allowing the use

of their credit card list for such solicitation to stop doing so is a question that has yet to be answered. However, in view of the low price, the interest of the individual in such coverage, and the "selling" of the peril that every issue of the newspaper does, it does not seem likely that agents can stop the promotion by talk.

A more effective answer would be for agents themselves to sell the market so thoroughly that the efforts by credit card promoters would not be rewarding enough to pay. Agents could do the job better if they used such sales to new customers as an introduction to a proper program of A&S coverage (and other coverages). Also, the solicitee might prefer to buy from a local business man than from a hotel chain office in New York, an oil company in Chicago, or a boat builder in Los Angeles. But it is no solution to the problem to be able to do a better job: A better job has to be done. This is meeting the situation offensively rather than defensively. This is going to be the only long term answer.—Kenneth O. Force, executive editor Fire Edition.

Personals

Howard Ennes, director of the bureau of public health of Equitable Society, has been elected a director of the National Safety Council. He was also named chairman of the council's home safety conference.

Harry E. Atwood, executive vice-president Northwestern National Life, has been appointed chairman of a citizens committee in Minneapolis to look into the future of the city's General Hospital.

Reed Penington, president American Assn. of Managing General Agents, spoke on "Recent Changes in Insurance in the U.S.A.," before a group of home office men in Basle, Switzerland.

Horace W. Brower, president of Occidental Life of California, has been elected president of the All-Year Club

of Southern California, an organization which sponsors advertising campaigns to attract out-of-state tourists.

Stanley Richman, vice-president of General American Life, was named to the board of National Health & Welfare Retirement Assn. at the association's annual meeting in New York City.

Deaths

Dr. WALTER E. THORNTON, 82, board member and former 2nd vice-president and medical director of Lincoln National Life, died after an extended illness. He entered insurance medicine in 1913 with Indiana National Life and advanced to medical director. When that company was acquired by Lincoln National in 1921, he became assistant medical director of the latter. Two years later he was appointed medical director. He was elected a director in 1928 and became 2nd vice-president in 1936. Serving as medical director and 2nd vice-president until his retirement in 1949, he remained on the board until his death.

A recognized authority in life insurance medicine, Dr. Thornton was a chairman of the American Life Convention medical section. He is listed in "Who's Who in America," "Who's Important in Medicine," and "World Biography."

LEW WALLACE, 71, general agent of Canada Life at Portland, Ore. and a prominent state legislator, died of a heart attack. He had been in insurance since 1910. A state senator for many years, he was twice a candidate for governor of Oregon.

L. A. WALTON, 60, Philadelphia manager for American National, died there. He joined the company in 1939 after having worked for Travelers and Lincoln National Life.

Michigan Life Is Awarded Flint Employees' Business

Michigan Life has been awarded the group life business of city employees of Flint, Mich. The coverage provided is \$3,000 basic life, with double indemnity for accidental death, and from \$1,500 to \$3,000 for accidental dismemberment.

Annual premium for the first year will amount to \$65,265, with an estimated average premium thereafter for 10 years of \$47,643.

John Chamberlain, general agent of John Hancock, spoke at the October meeting of Seattle Life Managers Assn.

Stocks

By H. W. Cornelius of Bacon, Whipple & Co., 135 S. La Salle St., Chicago, Nov. 1, 1961

	Bid	Ask
Aetna Life	79 1/4	
American General	30 1/4	
Beneficial Standard	13	
Business Men's Assurance	38 1/4	
Cal. - Western States	45	
Commonwealth Life	18 1/4	
Connecticut General	38 1/4	
Continental Assurance	163	
Franklin Life	64	
Great Southern Life	66	
Gulf Life	16	
Jefferson Standard	39	
Liberty National Life	55 1/4	
Life & Casualty	15 1/4	
Life of Virginia	51 1/4	
Lincoln National Life	197	
National L. & A.	107	
North American, Ill.	11 1/4	
Ohio State Life	36	
Old Line Life	60	
Old Republic Life	17	
Republic National Life	30	
Southland Life	80	
Southwestern Life	49	
Travelers	85 1/4	
United, Ill.	29 1/4	
U. S. Life	38 1/4	
Washington National	40	
Wisconsin National Life	34	

Conventions

- Nov. 11, New York State Life Underwriters Assn., fall delegate meeting, Schine Inn, Massena.
- Nov. 14-17, Life Insurance Agency Management Assn., annual, Edgewater Beach Hotel, Chicago.
- Nov. 28-Dec. 2, National Assn. of Insurance Commissioners, regular meeting, Commodore Hotel, New York.
- Dec. 12-13, Assn. of Life Insurance Counsel, annual, Waldorf-Astoria Hotel, New York.
- Dec. 13, Institute of Life Insurance, annual, Waldorf-Astoria Hotel, New York.
- Dec. 14-15, Life Insurance Assn., Waldorf-Astoria Hotel, New York.
- Dec. 28-30, American Assn. of University Teachers of Insurance, annual, St. Louis.

1961

- Feb. 13-15, Health Insurance Assn., group insurance forum, Biltmore Hotel, New York City.
- Feb. 17-18, New York State General Agents & Managers Assn., annual, Gideon Putnam Hotel, Saratoga.
- April 13-15, Life Insurers Conference, annual, Americana Hotel, Bal Harbour, Fla.
- April 13-15, Home Office Life Underwriters Assn., annual, The Greenbrier, White Sulphur Springs, W. Va.
- May 8-10, Health Insurance Assn., annual, Biltmore Hotel, New York City.
- May 12, New York State Life Underwriters Assn., spring delegate meeting, Astor Hotel, New York City.
- May 14-17, Insurance Accounting & Statistics Assn., annual, Biltmore Hotel, Los Angeles.
- May 31, Fraternal Actuarial Assn., midyear, Royal York Hotel, Toronto, Ont., Canada.
- June 4-9, National Assn. of Insurance Commissioners, annual, Bellevue Stratford Hotel, Philadelphia.
- June 12-14, International Assn. of A&H Underwriters, annual, Waldorf Astoria Hotel, New York City.
- July 27-29, National Assn. of Life Companies, annual, Sheraton-Charles Hotel, New Orleans.
- August 28-Sept. 1, National Insurance Assn., annual, Sheraton-Park Hotel, Washington, D. C.
- Sept. 20-22, Life Insurance Advertisers Assn., annual, Sheraton-Dallas Hotel, Dallas.
- Sept. 24-29, National Assn. of Life Underwriters, annual, Denver Hilton Hotel, Denver.
- Sept. 25, Fraternal Actuarial Assn., annual, Netherland Hilton Hotel, Cincinnati.
- Sept. 25-27, National Fraternal Congress, annual, Netherland Hilton Hotel, Cincinnati.

American United Agents Attend Home Office School

American United Life introduced new life insurance programming material called "Living Dollars" at a special school for advanced agents at the home office.

The school covered settlement options, group, health and business coverages with special emphasis on tax problems and the property value of life insurance.

THE NATIONAL UNDERWRITER

The National Weekly Newspaper
of Life and A&S Insurance



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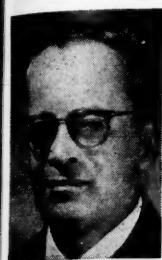
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Warns On Optimism Where Doctors Seek Qualified Pensions

NEW YORK—Because of an announcement Oct. 28 by the Internal



Solomon Huber

Revenue Service that it will issue no "determination letters" to doctors' groups seeking to set up qualified pension plans until official regulations have been issued, Solomon Huber, general agent here for Mutual Benefit Life, has warned his agents against letting their prospects for this type of coverage become too optimistic about what the IRS will permit when it issues its regulations.

The courts some time ago, in the Kintner case, upheld the right of an organization of medical doctors to set up qualified pension plans very similar to what corporations are permitted to set up for their employees. On Dec. 23, 1959, the IRS published a tentative set of regulations covering this sort of thing. One of the services and the American Medical Assn. issued illustrative cases to show what could be done.

Believe Waiting Is Better

Final regulations were looked for from day to day but nothing happened. Then last week came the IRS announcement, identified as TIR-262, saying that no determination letters would be issued. Consequently it became useless to inquire whether a given arrangement would meet with IRS.

Mr. Huber feels it is better to hold off action until final regulations have been issued than to set up a plan on the assumption that certain features will be allowed and then perhaps find it necessary to tear the plan apart and put it together again on the basis of the regulations.

Stockholder Subscription Sale Filed With SEC By American Heritage Life

American Heritage Life has filed a statement with the Securities & Exchange Commission, seeking registration of 354,240 shares of common stock, which it proposes to offer for subscription by common stockholders of record Nov. 22, at the rate of one new share for each eight shares then held. Subscription price and underwriting terms will be supplied by amendment.

An additional 170,238 shares included in the registration statement are reserved for issuance under exercise of stock options already granted or to be granted.

An SEC statement said, "According to the prospectus, the company now has outstanding 2,833,924 shares of common stock. Net proceeds of the sale of additional stock will be used in part to repay \$1,481,006 of short term indebtedness incurred in connection with the acquisition of 232,279 shares of Acme United Life stock for \$7 a share, or a total of \$1,625,953. The balance of the proceeds will be added to general funds and used in the conduct of the company's business."

Acme United Life was merged into American Heritage in October.

Guardian's Deposit Administration Plan

Guardian Life has added a deposit administration program to its regular pension trust line. The new program is designed for businesses with 50 or more employees and, initially, will enroll only non-contributory plans.

One of the features of the deposit administration contract is that it guarantees a minimum interest rate of 4% during the first five years that funds are on deposit. Lower guarantees apply thereafter. In accumulating the experience fund, interest rates current at the time of deposit will be applied.

The plan guarantees the purchase price of annuities purchased with deposits made during the first five years. The price for each dollar of monthly annuity bought during the first five years for a male at age 65 is \$139.92. The guaranteed price is slightly higher for purchases made after the first five years.

Minimum Is \$15,000 Annually

Under the plan, no charges will be made to the deposit fund for administrative expenses and services, other than provided by the annuity purchase price (including state tax, if any) and a nominal contract charge. If the annual deposit is \$25,000 or less, the contract charge is \$600. When the annual deposit exceeds \$25,000, the charge will be reduced by 2% of the amount deposited in excess of \$25,000, so that, if the annual deposit is \$55,000 or more, no charge at all will be made. A minimum annual deposit of \$15,000 is required.

Settlement options under the contract include a provision allowing for reduced pension payments from the normal retirement date until death, with payments continuing to a contingent annuitant. No health statement of any kind is required to elect this option at any time before the normal retirement date or 90 days before a later retirement date. A cash sum settlement in lieu of the annuity may also be elected without a health statement.

Convention Trips Are Held Includible

(CONTINUED FROM PAGE 2)

cation distant from the taxpayer's home and the insurance company's normal place of business.

3. Very little time was actually spent on business activities.

Cost 'Always Lurking'

The serious aspect of situations like the one described in Rudolph is that, what appears to be a cost-free pleasure trip often becomes a pleasure trip that is paid for by the taxpayer in the amount of the income tax on the value of the trip. Perhaps even at these discount prices, the individual taxpayer may feel that the trip is worthwhile. However, you should be aware that a cost is always lurking.

The Rudolph case was decided by a U.S. district court in Texas. It, therefore, does not have the strength, in tax matters of a U.S. tax court decision. However, a previous case by a U.S. district court in Alabama reached a similar conclusion. Note that attendance at a purely business meeting which serves a valid business purpose will not, under the holding of these cases generate income to the recipient agent. Thus, we can see that the business purpose test which has been playing such a large part in the interest deduction is applicable to other areas of the internal revenue code.

Comments On The Insurance Field From The Investment Dealer's Chair

By LEVERING CARTWRIGHT

Cartwright, Valleau & Co., Board of Trade Building, Chicago

This being a free country, it is everyone's privilege to start a new life insurance company. And, judging by the continuing cascade of such promotions, nearly everyone intends to exercise such freedom.

James Joyce refers to the "commodious vicus of recirculation." There is a handful of oldtimers that recalls the wave of promotions in the Armstrong Investigation era of say 1907-1910. Many more are here to tell of the ill-starred launchings of the 20s. Metempsychosis would suggest that the 1907-1910 grandfathers, and their multiplied presences of the 1920s are reincarnate today a hundred fold.

The dream boat sails on, even as six headed Scylla plucks to her maw earlier starters from the after deck. Persons of eminence are persuaded to serve as figurehead on the dream boat, even though they would stand aghast at comparable enthusiasm for new enterprises in the fields in which they have attained their eminence. There, they would not need to be lashed to the mast to resist the sirens' beguilement.

New ones are seeded whilst the seedlings of 1955, 1956, 1957, 1958 and 1959 wither; returning to the pump, the original suppliers are found now to be holding their water.

The motives range from radiant conviction to the meanest spirit of stock jobbing. From a genuine desire to participate in and promote the finest traditions of life insurance, to exploitation of the wonderful reputation of the business for hit and run gains via 15% commissions on stock sales, and stock option schemes. A medley of innocence and contrivance, with here and there, let it be fairly said, hard-headed, purposeful and knowledgeable undertakings.

Texas (the Omphalos) had it first. Then the dawn and the progenitors scattered. Alabama; Gen. Folsom wanted a new life insurance company in each of the 64 counties and he almost made it. Indiana, an inundation with dozens of Lincoln Nationals popping up all over the landscape. Arkansas, teeming, Illinois, fertile prairies. And others, except in the East, where the unprogressive spirit prevails.

— || —

Insurance stocks gave only fractional ground last week when the general market was retreating. Then the fire-casualty stocks showed strength when recovery set in, and on Friday they had a private bull session while the general market was weaker. Notably strong on that day was Home Insurance; Travelers moved up decisively to 88 on the eve of the dividend meeting of the board; Continental Casualty was at its all-time high again, Phoenix and Hartford were strong and in general the list was firm. Mass. Bonding was an exception, dropping off to 36. It frequently happens that there is a lag between decisive action in the general market and in the performance of insurance stocks. On the downside the latter may not react for two or three days, and likewise on the upside.

Crum & Forster was an exceptionally strong issue, advancing from 64 to 73 before meeting resistance. This has long been regarded as the prime insurance discount situation.

New Amsterdam Casualty zigged and zagged. On rumors that nuptial chimes had been silenced for New Amsterdam and Fidelity and Deposit, New Amsterdam stock dropped from 54 to 49½. Then after two days it came back into favor on word that not only was Security Insurance going to press its suit for New Amsterdam, but that still another fancier of New Amsterdam would be heard from.

Monday's announcement of the proposed get-together of New Hampshire Fire and Illinois National Ins. Co. adds still another example.

Mass. Bonding stock slipped even further Monday, the bid dropping to 34. This may reflect doubt that Hanover and Mass. Bonding will go to the altar after all.

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Donna now is out of the market, so to say. After all, the top company people were closer to right in their earlier estimates than were the adjustment bureaus. The latest figure is \$83 million, as against the adjusters' first guess of \$150 million. General Reinsurance, that dropped from about 118 to 104 after Donna, returned to its former level.

Life stocks were mainly listless to droopy, but on Friday Connecticut General moved up 5 points or so and Lincoln National, which had been under heavy liquidation and had broken under the 200 level and down to a low of 192 (which incidentally was also the 1959 low), came in for a reversal of trend. There was a 200 bid for the stock on Friday. The recent poor market performance of Lincoln contradicts its fortunes, which are very good this year. Continental Assurance stood out on the constructive side, and Great-West Life of Canada has been in demand. Friends of the life stocks hope that when the proof is in on 1960 with official reports they will become a magnet for bargain hunters. Life companies do not make interim reports on earnings, and investors (except for dream boaters) want to see it in black and white. They tend to be skeptical when making investments in going companies, although they have been more prone to get in on the ground floor of the hundreds of acorn Aetnas, Travelers, Franklins and Lincolns.

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American Heritage Life of Jacksonville is seeking SEC registration of 354,240 shares. It is proposed to offer this for subscription by stockholders of record Nov. 22 at the rate of one new share for each eight shares held. Proceeds will be used in part to repay the short term indebtedness incurred in connection with the acquisition of 232,279 shares of stock of Acme United Life of Atlanta at \$7 per share.

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The One William Street Fund during the three months ended Sept. 30 bought 12,500 shares of Continental Assurance and now owns 15,000 shares. Its other insurance holdings are 5,200 Connecticut General Life and 30,000 Travelers. Eaton & Howard Stock Fund bought 3,000 Hartford Fire and now owns 20,000.

Photos Of Personalities Attending HIA Annual Individual Forum In Chicago



Mrs. Robert Neal, whose husband heads the HIA staff; Mrs. John Hanna, wife of HIA's general counsel; Mrs. E. J. Faulkner, whose husband is president of Woodmen Accident & Life; Mrs. Frank L. Harrington, whose husband is president of Massachusetts Protective, and Marie Mead, executive secretary of HIA.



Robert S. Arrington and W. C. Woodyard, both of Pilot Life, with William Fee of Employers Reinsurance.



John Fana and John Weaver, both with U. S. Life; Paul F. Young and Richard Carpenter, of Continental Casualty; Paul Fasi, U. S. Life; Carroll J. McBride, Travelers, and Ronald K. Holmberg, Continental Casualty.



Levering Cartwright of Cartwright, Valleau & Co., insurance stock specialists, with E. J. Faulkner, Woodmen Accident & Life, who was the first president of HIA.



John H. Powell, Progressive Life of Red Bank, N. J., and J. C. Higdon, chairman Business Men's Assurance.



Douglas J. Moe, Colonial Life, Mrs. Moe, and Francis Welch, U. S. Life.



J. T. Helverson, Washington National, and Otto V. Elder, American Service Bureau.



On hand from Equitable Society—Robert S. Schoonmaker, Robert P. Coates, John Sansbury, J. Henry Smith (a past president of HIA), Robert Reno, and Harry Pike.



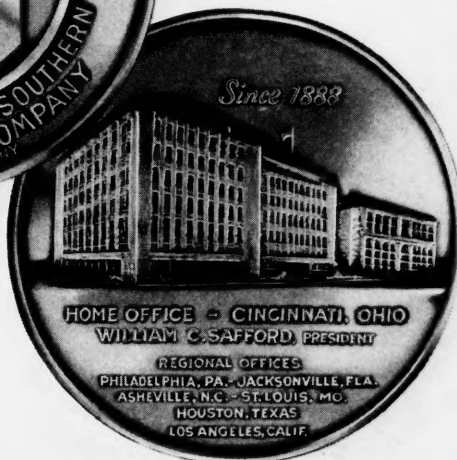
C. Clark Bryan, American Life Convention, with Mrs. Francis Evans (Prudential), and Carl Z. Hanor, Retail Credit Co.



Paul Hawkins and Dick Edwards of the HIA staff, with Millard D. Bartels, Travelers, president of HIA, and Robert Neal, HIA's general manager.

THE AMERICAN WAY...

*the right
to protect
and provide
for your own
is in the American
tradition...*



*to this end
Western and Southern
is aiding millions
of policyholders
throughout
the nation*

THE WESTERN and SOUTHERN LIFE INSURANCE COMPANY

Home Office, Cincinnati, Ohio • A Mutual Company • William C. Safford, President

REGIONAL OFFICES:

Philadelphia, Pa. • Jacksonville, Fla. • Asheville, N. C. • St. Louis, Mo. • Houston, Texas • Los Angeles, Calif.

Buy-Sell Pact Faulty? Here's Sales Talk Nutt Recommends

(CONTINUED FROM PAGE 14)

gets not only the insurance but all of the business.

"At the present time your plan provides that the wife of the first to die shall receive \$100,000. I would appreciate it if you would consider with me an alternative proposition.

"Wouldn't each of you like to give your wives a better break, regardless of who dies first? Perhaps you would like to do this, especially if the sur-

viving stockholder will not himself come out with less than he now contemplates.

'Tear Up The Agreement'

"My proposition is a simple one: Tear up the buy-and-sell agreement and provide in your will that your share of the business interest goes directly to your wife. Next, split-dollar the policies, which is an arrangement whereby the business pays that por-

tion of the premium equal to the annual increase in cash value and the insured pays the balance.

"In your cases, the balance is only about \$300, reducing in the immediate future to zero. With respect to death benefit under a split-dollar arrangement, the business receives back every dollar it has paid in premiums—the total cash value—and the beneficiary named by the insured receives the mortality profit, or net death benefit—

in your case at present a sum of \$90,000 on each life."

"You are instantly aware of the fact that your wife now has \$90,000 in cash and 500 shares of stock in the A company. It now becomes necessary that the surviving partner and the widow critically examine the company's dividend policy. Heretofore, dividends have been paid, because you have taken out in salary sufficient income for your family's requirements.

"But the wife of the deceased does not immediately that stock is no good unless it pays dividends. Thus it creates a conflict with the survivor—she doesn't want to pay dividends, because to pay dividends to the widow requires that he pay some to himself with increased income taxes by virtue of double taxation on corporate profit. The survivor therefore resists.

Suggests Deferred Pay Plan

"But there is a solution to this particular problem. How would you react to an arrangement whereby you pay dividends as a business expense and pay them only to selected stockholders? It is possible to accomplish the exact equivalent of this otherwise legally impossible fiscal policy.

"It is only necessary that you enter into a deferred compensation agreement, providing for the payment of a reasonable annual sum to heirs of the deceased. In your case, and in light of each stockholder's share of the business, deferred compensation totaling \$100,000, over a period of 10 or 20 years, would appear to be reasonable.

"Whereas the widow of the first to die can under your present plan expect only \$100,000, the consummation of the proposed arrangement would bring about these results: net death benefit from split-dollar policy, \$90,000; value of business interest, \$100,000; deferred compensation, \$100,000; total, \$290,000.

\$190,000 Per Widow

"The widow of each of you now can anticipate \$190,000 cash, plus a growing equity worth \$100,000 and even the last to die finds himself in a position no worse than the very best of the good fortune he now can expect. After all, what good is a business worth \$200,000 unless you have some way of taking money out of it without being crucified by taxes?"

At this time in your conversation you must explain that the net death benefit of the split-dollar policy decreases as cash value increases. But even at age 65, the net death benefit will still be in the neighborhood of \$50,000 and if you would anticipate the proceeds shall eventually be paid under a life income option, \$90,000 of money at a widow's age 45 provides an income not much greater than \$50,000 of proceeds under the life income option at age 65.

Alternative Course Available

But if the net death benefit decreases to a point where it is insufficient to provide enough money for debts and taxes, we have other action to take, as will soon be divulged to Mr. A and Mr. B:

"You are wondering, perhaps about the cost to the corporation of buying the existing policies. It is apparent from a study of your balance sheet that you have too much cash already, and unless profits decline, you will eventually be in a position of forced dividend payments in order to avoid a penalty tax on unreasonable accumulation of surplus.

"When you spend a dollar for an asset worth a dollar, your account merely debits 'cash' and credits 'other

W. H. SAVAGE, District Manager, McDonough, Georgia



HANK SAVAGE DID WELL AS A SALESMAN

...and he's doing even better as an Occidental District Manager.

Occidental's emphasis on modern training techniques, effective merchandising, plus liberal advertising support, have aided in his success.

Our Career Analysis Program helps select top salesmen for managerial positions. Write Cou Browne, Executive Vice President, for details. Management opportunities now available in Southern and Western States.



OCCIDENTAL LIFE INSURANCE COMPANY
OF NORTH CAROLINA • HOME OFFICE, RALEIGH

assets" on your balance sheet, with no adjustment in surplus. In order to buy the existing policies, therefore, it is only necessary that the corporation have a total of \$20,000 of cash, and credit it to the cash value of the policies. This involves no corporate sacrifice.

Surplus Not Impaired

"With respect to payment of the corporation's share of subsequent premiums, the same credit-debit process takes place, with never an impairment of surplus and consequently no impairment of your credit ability. Since you are not careful, the government might get some of your cash anyway, but it not the better part of wisdom to temporarily immobilize some of it by the life insurance policies?

"Since you don't need the money for normal business operation, what difference does it make? If, on the other hand, a need for cash subsequently arises, the only effect of the transaction we propose is that you must borrow additional money from the bank. The cost of the interest on this additional loan is the only cost of the plan now being proposed.

"There is undoubtedly one other point you are wondering about: Where does the money come from with which to make payment of deferred compensation to the widow of the deceased? Since the event of death creates a \$100,000 obligation, is it not a normal corporate act to hedge against this obligation with a life insurance policy which creates the money by the very act which created the obligation in the first place? This would involve two key-man policies in the amount of \$100,000 on each life.

"There are other advantages created by the use of life insurance. Life insurance proceeds are tax free; the payment of deferred compensation is a deductible item. When money comes in free of tax, as does life insurance, and goes out as a business expense, as do deferred salaries, then the corporation can do nothing but get ahead. In the 52% bracket, the government actually pays 52% of the salaries, and the best of it is entirely probable that corporate surplus will benefit along with the widow.

Comes Back—Plus A Profit

"And remember, too, that although premiums are not deductible items of expense, they are paid as an adjustment in surplus. To the extent that cash value increase approaches premiums paid, the adjustment in surplus is nil. There will be a small adjustment downward in the early years of the new policies but eventually you get it all back, plus a profit."

There is one other possibility which should be brought to the attention of Mr. A. and Mr. B. As the years go by, the value of the A-B company will increase, thereby increasing the need for money with which to pay taxes and other costs of dying. When this time comes, and as the net death benefits in the original policies decrease, by reason of the split-dollar arrangement, it will be entirely in order that the new policies be split-dollar and additional insurance bought at the time with which to fund the deferred compensation agreements.

As you see, to split-dollar existing insurance and to simultaneously buy new insurance with which to fund deferred compensation is a process which may merit repetition.

This is just about the whole story. All conditions being equal and somewhat as we assume them to be, I think that Mr. A and Mr. B will find this a most attractive proposition.

All Companies Seen Affected By Concept Of Multiple Line Insurance Operations

The development of multiple line insurance operations is going to affect even those companies which do not embrace this concept of doing business, I. M. Spear, president of Institute of Home Office Underwriters, said in his opening remarks at the institute's annual meeting in Washington, D. C.

Mr. Spear, who is vice-president of State Farm Life, said he attributed any trend to multiple lines to "the efforts put forth in trying to analyze and establish a system for marketing our product."

"Let me assure you that such a decision will not be made in the ranks of our business, but in the market place. Neither will the merit of the system be found by examining its rules or traditions, but by how well does it serve its customers," he declared.

Role Of Agent

In outlining the background of multiple line insurance, Mr. Spear stressed the role of the agent, saying, "In order to have better representation, if not exclusive, many companies have made the decision that the addition of other lines would create more and better opportunities for their agents, not to mention the gains that would come from being able to provide the mass markets with service for all its insurance needs by the one-stop method."

"A life insurance agency executive can scarcely view his recruiting and training costs with composure when he recognizes that life insurance interviews can be a cost-free by-product of the delivery of an automobile or fire insurance policy or a claim check. Agency executives cannot be content to recruit, train and finance life insurance agents, perhaps provide them with desk, telephone and secretarial assistance, only to see them use these

facilities to write fire and casualty lines for companies in which they have no interest. The all-lines approach feeds on the desire of agency men to reduce the cost and improve the efficiency of their agency organization."

When a casualty company organizes or buys a life company, or when a life company acquires a casualty out-

let, the company will need experienced supervisory personnel very soon, probably immediately, Mr. Spear pointed out.

"Surely it doesn't take very much imagination to see what such expansion or acquisition will encompass in the way of manpower needs—and I mean trained and experienced manpower. Opportunities will open up in all the allied fields of insurance operations, functionally and administratively, not only by the immediate spread of responsibilities, but as the company grows," he said.



TAKE FULL MEASURE OF THE COMPANY YOU SEEK

NUMEROUS life insurance companies can boast of particular strong points and advantages. When embarking upon a General Agency career, your future will be happier and more rewarding if the company you select can "measure up" to these qualifications:

Earning Potential Protective Life's General Agents Agreement provides top commissions, overriding commissions, vested renewals, service fees and a liberal expense arrangement.

Competitive Position Protective Life meets competition on all forms of Ordinary Life policies, both Par and Non-Par, and on all types of Group Insurance.

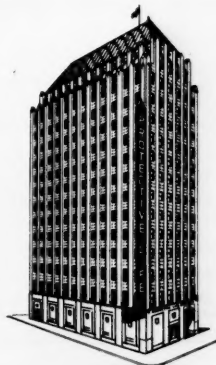
Stability Protective Life has \$114.43 of resources for each \$100.00 of liabilities.

Progressiveness Protective Life has an Audio-Visual Selling Program, Quantity Discount premium system, and writes such "special" coverages as Disability Income and Guaranteed Insurability.

Reputation Protective Life is now in its 53rd year of successful operation, has more than a billion dollars of life insurance in force and carries an "Excellent A-Plus" rating by independent authorities for the ranking of insurance companies.

Opportunity General Agency opportunities unlimited throughout the Southeast for experienced Agents doing well in life insurance business, yet somewhat impatient with prospects for future advancement.

Your inquiry is invited.



PROTECTIVE LIFE Insurance Company

Col. William J. Rushton, President
BIRMINGHAM, ALABAMA

Collier Heads Alabama Life Companies Assn.

R. C. Collier, president of Mutual Savings Life, was elected president of Assn. of Alabama Life Companies at a meeting in Birmingham. He succeeds Andrew J. Lewis, Vulcan Life.

Other officers elected were Alex Wellman, Protective Life, vice-president, and Melvin Grass, Employers Life. Named to the executive committee were Frank Samford Jr., Liberty National Life, and C. W. Daugett, Life of Alabama.

Speaker at the meeting was Dr. Louis M. Orr, past president of American Medical Assn.

Buffalo Blue's Rate Increase Hearing Set

Superintendent Thacher of the New York department has scheduled a public hearing on the applications of Western New York Medical Plan (Buffalo Blue Shield) and Hospital Service Corp. of Western New York (Buffalo Blue Cross). Both are set for the same day, Nov. 10, at the Statler Hilton Hotel in Buffalo. However, the Blue Cross hearing will begin at 9 a.m. and the Blue Shield session at 1 p.m. Saul C. Cantor, 1st deputy superintendent, will preside at both hearings.

Blue Shield has asked for rate increases ranging from 30.87% to 59.43%, and the Blue Cross plan seeks boosts from 19.21% to 38.24%.

Concern Over Cost Dominates Meeting

(CONTINUED FROM PAGE 8)

lessen in the future. He saw the problem as one of extending the benefits of basic Blue Cross plans so that deductibles and coinsurance would become less and less necessary.

When further queried on his opposition to deductibles and coinsurance, Mr. Stuart said he was against them in Blue Cross plans because it had been his experience that they do not cut costs over the long haul. They help control utilization for a while, he said, and then subscribers who are hospital-

ized, realizing that they will have to pay another deductible should it become necessary for them to return to the hospital, tend to prolong their initial period in the hospital so as to preclude the possibility of a return visit. The number of utilizations may decline, but the length of each hospital stay, Mr. Stuart said, thus tends to be longer.

Richard R. Shinn, who appeared with Mr. Stuart on a panel dealing with the future of employee benefit plans, dis-

cussed group coverage in the next 25 years. Mr. Shinn said that without group employee benefit plans, the average worker in the U.S. would enjoy considerably less insurance coverage than he does today.

"People have more insurance because of the group device," he said.

And, said Mr. Shinn, the trend is to more group life coverage for workers because the need for such is there, as well as the demand for it from employees.

This was borne out earlier in the day by Jerome Pollack, program con-

sultant for the social security department of United Auto Workers, AFL-CIO, who spoke to the members of organized labor's future benefit objectives. Mr. Pollack said that organized labor in recent years, without downgrading group life insurance fully contributed to by the employer, has pushed it aside somewhat in a quest for better health benefits.

But labor, Mr. Pollack said, has not forgotten the workers' need for life insurance and management can look to unions' giving the subject greater consideration as an objective at future bargaining tables.

As an example of how much so-called fringe benefits have become a major cost item of industry operation, Robert A. Albright, assistant to the States Steel, presented a study conducted by the council among 30 major companies on nine major cost items considered fringe benefits and their percentage relationship to net salaries and their dollar amounts per year.

Life and AS Included

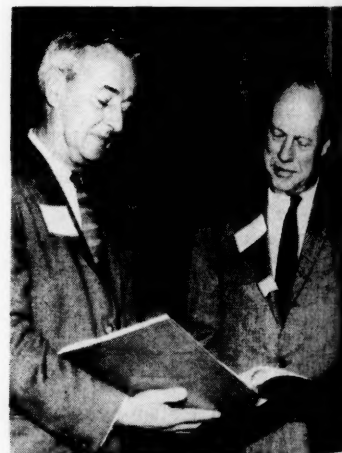
Among the items considered were those classified as time off with pay, benefits required by law such as social security and workmen's compensation, and voluntary benefits such as life and A&S insurance and retirement benefits. Considering all nine items in their percentage relation to annual net salary, the range varied from the company with the lowest percentage, 10.3%, to one company that was paying out 30.3% of net salaries in fringe benefits.

The range in voluntary benefits exclusively was 4.8% of total salaries for the lowest company on the scale to 15.4% for the company paying the greatest percentage in life and A&S insurance and retirement benefits.

In dollar amounts per employee per year, the range for all nine items was \$499 for the company paying out the least amount, to \$1,960 for the company at the top of the listing. The group life, A&S and retirement benefits range started at \$238 and went up to \$875.

J. L. Batchler Not Retired

An item in the Sept. 24 issue saying that Jack L. Batchler had embarked for a trip around Africa was incorrect in identifying Mr. Batchler as "retired secretary of Kansas City Life." He is not retired, and his correct title is vice-president and secretary.

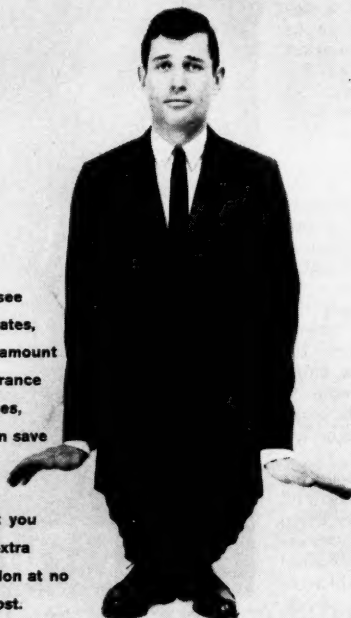


The past and present heads of Life Office Management Assn. at the association's annual conference in Toronto. Charles H. Bader, Interstate Life & Accident, the outgoing president, left, reviews his address with Merrill R. Tabor, Berkshire Life, the new president of LOMA.

Have A Look
at the many new looks
that I happily found
in the modern life
insurance policies
just announced by
my company,
The Life of Virginia.



You'll see
lower rates,
as the amount
of insurance
increases,
that can save
you
money
and let you
enjoy extra
protection at no
extra cost.



Now within
your reach
is the type of
protection you
need to guard
against today's
higher living
costs.



You'll find broader benefits, too. The kind
that assure you and your family
complete coverage.



Choose from these newly announced modern policies, proudly offered by one of the nation's oldest and largest insurance companies, The Life of Virginia. With lower rates for larger amounts, broader benefits and more protection, they're designed to cover realistically both the family security and savings needs you face today. Be sure to ask a Life of Virginia representative about our company's entirely new policies. He will be glad to give you complete information.



THE LIFE INSURANCE COMPANY OF VIRGINIA

SINCE 1871 • RICHMOND, VIRGINIA

Reprint of an advertisement in the Saturday Evening Post
for the Life of Virginia and its field representatives

vote

In recent national elections in some free countries, the following percentage of eligible persons cast their votes:

Australia	95.48%	voted (1958)
West Germany	88.2%	voted (1957)
Israel	82.8%	voted (1959)
Canada	80%	voted (1958)
Great Britain	78.7%	voted (1959)
Sweden	77.4%	voted (1958)
UNITED STATES	60.4%	voted (1956)

It is no credit to our democracy when four out of every ten persons forfeit the privilege of expressing their convictions about the candidates and the issues of a national election.

Your vote counts! Victories in many elections are often determined by the barest of margins. For example, one Senator won the post he now occupies by a margin of only 87 votes, with 988,295 cast.

To vote is a right and a privilege. To cast your vote intelligently is a duty.

See to it that you and every eligible member of your family vote on November 8th.

Metropolitan Life

INSURANCE COMPANY

A MUTUAL COMPANY

1 MADISON AVENUE, NEW YORK 10, N. Y.



Failure To Ask For Repeat Business Called Big Factor In Agent Failure

Seneca M. Gamble, who has just retired as advertising manager of Massachusetts Mutual Life and will establish a counseling service at Atlanta for life companies, wrote the following letter to the editor of The National Underwriter after publication of the editorial in the issue of Aug. 27.

As the author of the interesting editorial, "Advertising That Plays Up the

Agent," you will be interested in the enclosed reprint of our ad in the Saturday Evening Post, Time and Newsweek, with a combined circulation of over 10 million and an estimated reader total of about three times that number. This message is designed to build more prestige for Massachusetts Mutual agents.

Our advertising agency and our company would like to believe that our ad

will actually be read by a very large number of those persons who receive the magazine. However, we are not building any false hopes along this line. We believe sincerely that the ad will be pleasing to our field men and you may be sure that we are publicizing it to them.

Tests Lack Accuracy

Many tests of various types of advertisements have been made and are being made, but neither these tests nor anything else can serve as a very accurate guide as to what the public

will read and what it will pass over very lightly.

We are of course pleased that you published your interesting editorial, one reason being that it will serve as a third-party endorsement of the ad that we are running.

As far as I am individually concerned, salesmen of tangibles that I buy are important factors in the transactions, but I do not allow whatever they may say to persuade me to buy. The product and the service back of it are the most important factors in attracting my dollars.

Now, let's return to the subject of life insurance. I own seven individual life insurance policies in a total of four companies, two of which companies are among the largest in the business. I initiated the purchase in each instance, never having been approached by any one of the four agents from whom I purchased the insurance. Not one of these agents has ever solicited me before or after I invited them in originally, and not one has ever offered any service or made any contact with me.

Being In Business No Factor

I thought for years that in these respects my case was unique, but I have learned that it is very definitely not unique. The fact that I am in the life insurance business and have been for many years is beside the point. My first life insurance purchase was made before I even thought of entering the life insurance business, and at the time it represented a very substantial sale for almost any agent.

As we all know, too many salesmen miss too many sales by not making any effort to render service and by not even trying to make repeat sales to their customers. I am not blowing off steam, but simply stating facts that may indicate why many men fail partially or completely as agents.

R. I. First Chartered In New GAMC Set-Up

Rhode Island General Agents & Managers Assn. has become the first association chartered under the new rules and regulations of General Agents & Managers Conference of NALU.

The request for the first charter was presented for approval at the annual meeting in Washington by Lloyd Crandall, Phoenix Mutual Life, Providence, who is a past president of the Rhode Island association.

The new GAMC rules and regulations, which will go into effect on Jan. 1, provide for a democratic national assembly similar to the national council of NALU. Chartered local and state associations will elect national representatives who will have voting privileges at future meetings of GAMC.

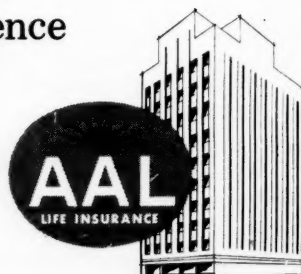
Directors OK Merger Of Two Washington Insurers

A merger of Old American Life of Seattle with Sunset Life of Olympia, Wash., has been approved by directors of both companies. Sunset Life will be the surviving company, and its president, Neil Woody, will retain that position. Garland Sponburgh, head of Old American, will be vice-president of Sunset Life.

The combined operation will have \$85 million in force in 11 states, with assets over \$12 million and \$1.7 million in capital and surplus.

Sunset, which writes health as well as life, was founded in 1937, and the Seattle insurer was organized in 1945.

Sixteen AAL representatives were million dollar producers last year. Aid Association for Lutherans requires its District Representatives to maintain a specific annual minimum sales volume which is high for the industry. This results in our having better qualified men — assures they will be more successful. Small wonder our average DR sold \$485,000 of AAL life insurance last year, enabling AAL again to expand its benevolence programs.



AID ASSOCIATION FOR LUTHERANS

APPLETON, WISCONSIN

Salaries Prospects

Radiologists smaller hospital hospitals and hospitals for the non-profit Albert V. B. of Assn. of Wash. Mr. Bianco's

Contrary to section 23-A. acts of step taken by employees of non-profit 23-A. 403-A of the regard to annuities deposited by free annuities.

The original 1939 revenue (B). In 1953 181 was put qualifying service would like to you may be

Quotes Applied

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Salaried Medical Staff Men Good Prospects For Tax-Exempt Annuity

Radiologists and pathologists in smaller hospitals and in large metropolitan hospitals, the director, anesthesiologists and controller are good prospects for the special tax-exempt treatment afforded by law to employees of non-profit institutions on annuities. Albert V. Bianco, independent, New York City, told the recent convention of Assn. of Advanced Life Underwriters at Washington, D. C. Following is Mr. Bianco's talk.

Contrary to what many people think, section 23-A of the technical amendments act of 1958 was not the first step taken by Congress in aiding employees of non-profit institutions. Section 23-A merely qualified section 403-A of the internal revenue code in regard to amounts allowed to be deposited by these institutions in tax-free annuities.

The original law dated back to the 1939 revenue code, section 22(b)(2) (B). In 1953 internal revenue ruling 181 was put out by the department qualifying section 22 (b) (2) (B) and I would like to read it to you so that you may become aware of its impact:

Quotes Applicable Passage

"An amount paid by an employer exempt from federal income tax under section 101(6) of the internal revenue code as an insurance premium for the purchase of an annuity contract of the type referred to in section 22(b) (2)(B) of the code is not required to be included in the income of the employee for whom the annuity is purchased.

"The employee will be taxed upon the basis of the amounts he actually receives under the annuity contract and at the time he receives such payments. The payment of the insurance premium by the employer does not fall

within the meaning of the term 'wages' as defined in section 1621 of the code or section 1426 (a) (3) of the federal insurance contributions act.

"Therefore, such payment is not subject to withholding either for federal employment or income tax purposes. The employer is not required to file an information return, form 1099, under section 147 of the code, with respect to such payment."

Tremendous amounts of business were written as a result of this ruling by the Internal Revenue Service. In fact, some individual annuity premiums went as high as \$40,000 a year. Internal Revenue, however, because of the amount of publicity given these programs, came out with a regulation that effectually stopped annuity purchases for the time being.

Tried To Legislate

The regulation was simple: The Internal Revenue Service said that income from an institution cannot be reduced and this money put into an annuity. Also, the annuity cannot be taken in lieu of an increase in income. However, it was obvious that the Internal Revenue Service has legislated instead of regulated, and the technical amendments act clarified the entire matter.

Briefly, the formula under section 23-A of the technical amendments act was this: A person is allowed to take up to 20% of his gross income in a tax-exempt annuity. Assuming he has been with an organization for 10 years, he is allowed to multiply his years of service by 20% to come out with a total exclusion allowance.

For example, a doctor earning \$20,000 a year and working for one particular organization for 10 years has an exclusion allowance of \$40,000. Now 20% of 20,000 equals 4,000 and if you multiply \$4,000 by 10 years of service, the total becomes 40,000.

Can Allocate Past Service

Theoretically this is the amount that can go into a tax-exempt annuity for the current year. Not being favorable economically, the past service portion can be allocated for future service in any reasonable formula.

Any one of us can see the tremendous advantage this favorable law provides to clients and potential clients employed by non-profit institutions. It makes it possible for any of them to set up their life insurance programs on a split basis doing the saving before taxes in the annuity and buying their life insurance on a financial basis at low outlay.

Better Both Ways

A combination of these two will provide for them a greater death benefit and a greater retirement benefit than insurance bought in the ordinary manner. Another important point is there is no competition from mutual funds under the 501-C-3 sale. This is because the law specifically states "annuity."

The best prospects for this type of situation are radiologists and pathologists in the smaller hospital. If you go to the large metropolitan hospitals, the director, anesthesiologists and controller will fall into the category of good prospects. The one important aspect to remember is to make sure that there is employer-employee relationship because this is necessary for qualification.

Looking over George Washington's letter to John Hancock before the letter was placed in the lobby display case of the John Hancock home office: Robert P. Kelsey, vice-president, and Paul L. Cumings, curator of Hancock's historical room. The letter was recently discovered in California.



If You've Set Your Sights on Management...

... take a long look at Cal-Western Life! Here is a company which has **doubled in size in just 40 months!** Management opportunities abound in this fast-growing organization. Our unusual management development program offers an unequalled opportunity for the qualified man to reach his goal in the shortest possible time. Investigate **now!**



California-Western States Life Insurance Company

Home Office: Sacramento

If you are management-minded . . . and management-qualified . . . between 30 and 40 years old, have a sound background in personal production and a college education or equivalent, write in confidence for details of our management-building program. Address: Lynn Tenney, Vice President, P. O. Box 959, Sacramento, Calif.

New Prudential Queen



PRUDENTIAL QUEEN—Janet Ann Costa is crowned "Miss Prudential Brokerage of 1961," by Ruth Wuesthoff, who was the 1960 queen. The new queen will be featured in sales promotion material mailed to general lines agents throughout the country during the coming year. Miss Costa handles brokerage mail in the company's mailing department.

Midwest Management Conference Draws 323 To French Lick

(CONTINUED FROM PAGE 1)

used means of communication, frequently what we do is more important than what we say," he warned. "Each person has his own perception of the world, and we can't use the same form of communication for all." He listed as the three most frequent causes of failure of communications: Mistaking the form for the substance; considering communications a simple job, and talking too much and listening too little.

"Setting the Stage for Effective Team Play" was discussed by Robert L. Woods, general agent Massachusetts Mutual.

The guiding principle of the agency, Mr. Woods said, has always been that it has never wanted to be small. There is no point of diminishing return in agency growth, he averred. One simply shifts the operation to meet the problem of increased overhead. The agency must concentrate its efforts on full-time, career men, and believe that both

quality and quantity need full-time supervision. It is harder to develop a good supervisor than a million-dollar producer, Mr. Woods declared, but never select a supervisor merely because the "price is right."

Mr. Woods divided agency duties into two categories. Agency policy, recruiting, motivation, sales training, and district agency development, he listed under the head of sales administrative duties. "The home office hired you as general agent to perform those

functions," he said. "They cannot be delegated." Educational training, brokerage, sales service, office management, and counseling, he listed under the head of service administrative duties, which should be delegated to supervisors. The first and second sets of duties require different personalities, but too often the general agent tends to hire a supervisor who has the same personality and capabilities that he himself has instead of one who complements him, he said.

Mr. Woods explained that in his agency, the attempt is to run the operation on a top business basis but without paternalism. "We have no bull-pen, no sales slogans on the walls. Agents are referred to as 'associates,' not 'agents' or 'salesmen'—and never as 'my boys.' The agency has no contests of its own, and we do not manage the social lives of our agents." The speaker concluded by predicting that the 1960s would be "great agency building times. You can build the type of agency you want—if you want to do it and don't develop opposed interests."

Humorous Speaker

Departing from its 20-year custom of putting an institutional-level speaker on the banquet program, the conference this year used, instead, a humorous speaker, "billed" seriously as a "noted economist." Richard F. Mills, Indianapolis banker, kept his audience in constant laughter as he spoke with mock seriousness on "Men, Women, and Money."

Foster Vineyard, general agent Aetna Life, Little Rock, spoke on "The Supervisor's Job."

"What stands between field management and more business is lack of supervisory personnel," he declared. The problem is the general agent or manager's. Very few companies have any supervisory training program; and often about as much judgment goes into selecting a supervisor as goes into placing a \$2 bet. Selection is purely opportunistic. A man is available and is not so bad he can't be hired; so he becomes the supervisor.

Tremendous Turnover

There is tremendous turn-over in supervisory ranks, the speaker pointed out. Some of it is planned, because supervisory work is a proving ground for managerial candidates; but a supervisor does not have to become a manager to be a success any more than every home office employee must become president or fail to be considered a success. "Think in terms of permanent, career supervisors," Mr. Vineyard urged. Managers should encourage the development of a home office supervisory manpower development program. The companies doing the best job today are those that have such programs. The industry needs more research in the area of supervisory work and more publication of results.

Edward B. Bates, 2nd vice-president Connecticut Mutual, spoke on "The Challenge to the Captain" in teamplay. A good team has to have a good certain facts about the life insurance leadership and yet not outshine his star performers, Mr. Bates declared.

The speaker urged holding in mind certain facts about the life insurance market of the 1960s. The population shift is putting more people in the under-25 group and the over-45; group and social security are restricting the employee-type buyer; external competition such as homes, cars, appliances will push harder in the 1960s.

To cope with the population shift, Mr. Bates recommended developing more activity in the advanced under-

五+五%

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Phillip B. White, Fremont
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Alhambra

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New Haven
Goodfellow-Ashmore Agency, Inc.,
Danbury
Norman & Mann Agency, Inc.,
Hartford

DELAWARE
American International
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...ing fields and recruiting men in the 22-24 age brackets. "Our company has found that the survival rate and commission pattern of these men does not differ materially from the 25-45 group but it does take different supervision and training. Don't try to fit young men to an old program. Establish a young man's unit."

"It's Harder Than You Think," Frank Brennan, general agent New England Life, Kansas City, told the conference. Objectives, planning and business management are all vital cogs in the agency building. "Where do you want to go; where do you want to be in the future? Remember that it takes time to build a successful agency. Avoid needless honors. They merely side-track you. Developing men is the best way to glorify yourself. Distinguish between profitable and unprofitable activity, business, and financing."

Mr. Brennan was the third of the speakers to stress the importance of the supervisor. "It's the job of the supervisor to make a success of the man the general agent brings in," he said. "You must teach the supervisor not only 'what' but also 'how.' The job requires fortitude and devotion—and remember: There is nothing wrong with being a career supervisor."

The luncheon, presided over by James Comstock, general agent American United, Indianapolis, heard words

of greeting from Indiana Commissioner Ashley. He was introduced by Alden C. Palmer, immediate past commissioner. Mr. Ashley complimented the group on getting together to improve management and up-grade field men, but, he warned, "Your efforts will go for naught if you are not careful about the type of people you select to represent you before the public. When you hire a man, ask yourself, 'Is he the kind of man I'd want to have call on my own family?'"

The closing session, presided over by W. T. Smith, general agent Wisconsin National, Indianapolis, featured Lee A. Buck, general manager New York Life, Detroit, and Brice F. McEuen, vice-president Lamar Life. Mr. Buck declared that the business is on the threshold of tremendous expansion but that some warnings need to be sounded.

Too many companies have become "big corporations," which means the substitution of written instructions for personal contact. Agencies themselves must fight the same corrosive disease. Communications involves perception, "and if you become remote from agents—as some companies have from managers—it can ruin morale and production. Beware of treating an agent as 'just another agent.' Each needs personal handling."

"You can't give orders from back of the lines. The manager should not deal with reports and statistics. No report can take the place of the human touch."

—In recent years, the business has become too much imbued with superficial things. More time should be devoted to developing men rather than products and gimmicks. All development is individual, and no canned development program will work.

—Since 1930, there has been a worldwide search for economic security, but too many people have a mistaken idea of what constitutes economic security. They think a salary is security, forgetting that ability to do a job is the only real economic security.

—Life insurance is a way of life, not a business.

Mr. Buck concluded by calling for a return to a more imaginative type of selling and one that puts the emphasis on protection of families with permanent insurance.

"Cooperation—for What?" asked Mr. McEuen. "It's fine to get a man in the Million Dollar Round Table," he agreed, "but be sure he earns enough money to attend the meetings. If an agent does not have 80% persistence the first and second year, he gets no honors and no renewals in our company. Our honor club is based on lives,

persistence, premium, and no volume requirement at all."

Mr. McEuen called for "realism in arithmetic." Inflation has hit agency management, he pointed out, and premium per case and financing level have become vitally important. If the financing level moves up, so must the production requirements. "Remember also," he warned, "that the money you spend to make a man look good in the prospect's office pays off more than what you spend to make him look good in his own office."

Osler Receives Tribute

The closing evening featured the traditional reception for all registrants, with General Agents & Managers Assn. of Indianapolis as host. At the dinner on the opening night, R. W. Osler, president Underwriters National Assurance, Indianapolis, perpetual promotion chairman of the conference, was given a citation and standing ovation for 15 years of service to the conference, with a tribute to his wife and daughters, who have worked on the registration desk over a period of years.

General chairman this year was Richard Mueller, general agent Provident Mutual. James Comstock, general agent American United, served as vice-chairman and will be 1961 chairman. Chairmen of standing committees, all general agents or managers (except as noted) were:

Transportation, Hastings Smith, New England Life. Finance & Budget, Horace Storer, Bankers of Iowa, and Russell Simpson, Sun of Canada. Reception, Weymouth Fogelberg, Indianapolis Life. Hospitality, Donald Schied, Phoenix Mutual. Entertainment, Santo Polsinelli, State Life. Registration, Spafford Orwig, Orwig Agency. Program, Hilbert Rust, president R&R. Attendance, Claude Jones, retired general agent Connecticut Mutual. Women's Activities, Mary Morrison, wife of Guy Morrison, Northwestern Mutual. Advertising, Donald A. Baker, Baker Associates. Promotion, Robert Osler, president Underwriters National. Food, A. H. Phillips, State Mutual Assurance. Arrangements & Reservations, G. Weldon Johnson, executive secretary, assisted by Mrs. Johnson and Miss Alice Osler.

Estate-Planning Talk Heard At Indianapolis

There are four members of the estate-planning team, Jack M. Schenck, Merchants National Bank & Trust, told members of Indianapolis Assn. of Life Underwriters at the October meeting. They are the accountant, attorney, life agent and trust officer. All have the same end: Creation, conservation, and distribution of the estate. The main function of the agent is estate creation, whether it be creation of money to build the estate, creation to replace tax and administration losses, or creation to provide liquidity that facilitates distribution.

He urged trusted handling of life insurance proceeds. Legally, a life insurance company can act as a trustee, and, historically, the first corporations authorized to act as trustees were life insurance companies, he said. However, trust assets must be segregated, and the beneficiaries of life insurance companies are widely scattered. The relationship of the insurance company to the beneficiary is debtor-creditor, whereas the relationship of a trustee is legal owner with the beneficiary the beneficial owner. Thus insurance companies have ceased to act as trustees.

Reminding President M. Key Dodson of their sales prowess, top producers of Ohio National, represented by photographs, appear on president's wall of fame. Area in Mr. Dodson's office is devoted to agents who exceeded quotas in president's month sales campaign. Next year they will retain positions or relinquish them to successors, according to accomplishments.



mark of distinction

Recognition of the training required to earn the designation of Chartered Life Underwriter—of which this key is the distinctive mark—is very definitely growing year by year. One indication of this is the growth in paid memberships in the American Society—from 2,264 in 1950 to a record high of 5,158 for the 1958-59 year.

Doesn't the increasing importance of this professional designation suggest to you that it would be worth your while to explore what C.L.U. study might do for you? You can get more information about C.L.U. activity in your community through your local life underwriters association.

BANKERS *Life* COMPANY
DES MOINES, IOWA

Samples Of Life Institute's Answers To Public's Questions

(CONTINUED FROM PAGE 4)

little. I want to start him off on some life insurance. Can I get it, and if so is the rate the same or extra?

A. Not too long ago, the diabetic was automatically regarded as uninsurable. But there have been great strides in the treatment of the disease.

May Cost Little Extra

Some companies now issue insurance to diabetics at very little extra cost. Some charge higher rates. Each company has its own rule.

It's not so much a question of the illness itself, as how the diabetic takes care of himself. Often more mature diabetics are regarded as better risks because they may show better judgment in following the necessary rigid routine.

Q. I am 45 and I don't, myself, ever expect to go to the moon, but my 14-year-old son and some of his classmates think they'll be going some day. How do the life insurance companies feel about people taking off for the moon? Is there any earth-only clause in the policies?

A. You might say the insurance companies are standing by for the "count-down." This problem has only confronted the companies as yet in connection with the seven picked astronauts—and they are insured. What happens in the early space flights will be closely watched and the companies will act accordingly. There is no earth-only clause in present contracts and unless a condition is specifically excluded, it is included.

Advised To Surrender

Q. I am 65 years old and have a paid-up life insurance policy of \$10,000. My wife is my beneficiary and we are both in reasonably good health. We have no children or really close relatives. A lodge brother said I'd be smart to collect my insurance now and invest the money. Would this be wise?

A. You say you and your wife are in reasonably good health, but fail to mention anything about your needs. If you have sufficient income from other sources, it would seem to be foolish to tamper with your insurance. If you still need the protection for your wife, it would certainly be unwise to disturb the policy.

It is true that you now could claim a cash value of about \$6,000 on your policy. If you hold the insurance, this cash value will continue to grow.

If you feel you want to produce income from your policy funds, your insurance company undoubtedly could offer you an income plan, guaranteed for life, something you could get only through life insurance.

Family Income Vs Family Plan

Q. I have a family income policy. Now I read about the family plan. Is this the same thing?

A. No. Your family income policy insures you alone. The family plan is a package insuring in one contract the husband, wife and all children, from one to a dozen—or more.

The word "income" is the key to your family income policy. It's geared to provide income for your family, in the event you die, until your children are grown up and educated and then the full amount of the policy is paid, either as cash or income.

Here's how a typical family plan would work for John Doe, who has a wife and two children: Doe, as the breadwinner, will be covered by \$5,000 or regular life insurance. Mrs. Doe will be insured for \$1,250—more or less depending on her age—and each child for \$1,000.

If any more young Does come along, they too will be insured for \$1,000 each—without extra charge. Each child's insurance ends in the early 20s, with an option of converting to a permanent policy. The wife's insurance usually expires at the husband's age 65 but may be converted without having to give evidence of insurability. Details vary from company to company.

Policyholder Wants Mortgage

Q. Can I get a mortgage from a life insurance company? I've had policies about 15 years.

A. Most life insurance companies do not deal directly with homeowners in their mortgage investments. Usually they buy mortgages wholesale in an arrangement with mortgage bankers. There are a few exceptions, however, so it may be worth your while to ask the companies which hold your policies, or find the nearest mortgage representative of your companies.

Q. A fellow commuter mentioned

something the other day about putting a common-disaster clause in his life insurance. What is this? Is it good? Is it expensive?

A. The common-disaster clause has become of increasing importance with the mounting travel by automobile and plane in recent years.

It's an unpleasant subject, but there is always the real chance that both the husband and wife may be killed as a result of the same accident.

Unintruded Recipients

In such a case, if the beneficiary wife survives the husband, if only by a matter of minutes or hours, his insurance is paid to her estate, even if the policy names a contingent beneficiary. If there are no children, the proceeds then may be paid to persons in the wife's family for whom they had no intention of providing at his death.

Where taxes are involved, the question of which died first, the husband or the wife, may make a big difference.

To meet this situation, life insurance companies now write, without charge, a "common disaster" clause to add to policies where needed. It can be a regular part of the contract or written as a rider and it states clearly how the proceeds will be paid in the event of simultaneous or delayed death from the same accident.

Post-Retirement Problem

Q. I am reaching 65 next year and will have to drop off to a very small income compared with today. What can I do about my life insurance? The premium on my \$15,000 policies will be far too big for me to carry.

A. At age 65, you probably will have cash values in your policies of about \$9,000. You can use that to put about \$12,000 of your insurance on a paid-up basis—that is, requiring no more premiums for the rest of your life. If you have essential protection without this you might use the \$9,000 cash value to buy a lifetime retirement income for yourself, to supplement your other income. Your policies would probably give you a life income of \$60 monthly. Or you might leave, say, a \$5,000 policy paid-up and use the rest to buy a life income supplement.

May Like 'Jumping Juvenile'

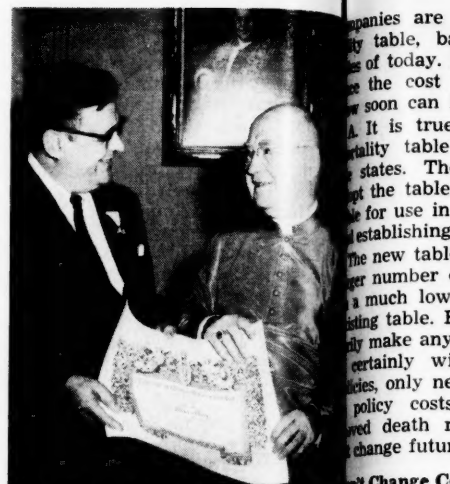
Q. My husband has always argued that life insurance on children is pretty much a waste of money. I have a friend who says we'd be wise to get "jumping juvenile" insurance for the youngsters. Do you think this type might overcome my husband's objections? How does it work?

A. It's possible "jumping juvenile" will be the compromise that will please all concerned. It is sold to children under 14 years old and generally starts with coverage of \$1,000 to \$2,000, continues at that level to age 21 and then jumps to five times its face value—with the premium staying at the original amount. It appeals to fathers who want to get their sons started on life insurance at low cost, compared with grown-up rates.

Renewable Vs Convertible Term

Q. We have several term life insurance policies. One, I know, is renewable and another is convertible. What's the difference?

A. There is a very important difference. Under your renewable term, you have the option to renew the policy for an additional period without going through a new medical exam or offering other proof of your continued good



PAPAL AWARD: Cardinal Spellman of New York presents the Papal Benemerenti decoration to Edward Chave, senior research associate in Equitable Society's methods research department, for his long service with the Xavier Institute of Industrial Relations of New York City. Chave is on the institute's volunteer faculty staff, teaching courses in economics and welfare plans to labor leaders and management personnel.

health, although the premium does increase.

Convertible term insurance allows the privilege of converting without "evidence of insurability." This means that without a medical exam, you can convert your term policy to a permanent policy at the premium for the age at conversion (say, to a straight life or an endowment policy), but you cannot continue for a renewal period on the term plan, unless it also "renewable."

Mystified By 'Vesting'

Q. I recently heard a life insurance term which I don't understand—"vesting." What does it mean?

A. "Vesting" usually applies to pension plan, and means that after set period of time or upon reaching certain age, an employee obtains a permanent (or vested) interest in the pension plan where he works. Even if he should change jobs, the plan would provide him with an income after he has retired. Most insured pension plans have some kind of vesting arrangement.

Q. Before accepting a new job offer I want to be sure it will not jeopardize my life insurance. The job is in an atomic plant.

A. Your job change will in no way affect your existing life insurance. It will probably not affect any new insurance you might buy, unless you are to be one of the few actually handling radioactive isotopes. There are few jobs today that would bar purchase of new life insurance and the list of those calling for an extra premium is rapidly dwindling. Life insurance is keeping pace with safety and stimulation.

Q. I've heard that the life insurance

Service Guide

CONFIDENTIAL NEGOTIATIONS FOR SALE OF INSURANCE COMPANIES

Ralph F. Colton

30 N. LaSalle St. Chicago 2, Ill. Financial 6-9792

On the go with...

GROUP

In just three years of active selling, Life of Georgia has attained over \$150 million of group life insurance in force. Competitive rates, fast local claim service, tailor-made life and health plans for groups as low as four* are just a few of our advantages.

Inquiries from all agents in our territory receive prompt attention. Write: GROUP DEPT. 1005 Healey Bldg., Atlanta 3, Ga.

*Five in Florida; ten in North Carolina



LIFE INSURANCE COMPANY OF GEORGIA
SERVING THIS FAST-GROWING REGION SINCE 1891

Views Given On Insurance Papers' Role

(CONTINUED FROM PAGE 10)
personnel changes and important developments in an industry which is the largest and most popular division of private business.

Advertising PR Men Help

The journals are greatly assisted by some of the most able advertising and public relations men employed by industry. A cheerful aspect of the current insurance journalistic picture is the fact that hundreds of insurance companies are appreciating that these journals are playing an increasingly important role in the insurance picture (as compared with the situation of some years ago when so many companies took them for granted) and so they are giving the papers recognition that they deserve.

Editor Fred C. Crowell Jr. of the Insurance Field had this comment:

Never in history has it been more important to transmit with clarity and rapidity the news and views of the vast, fast-moving, constantly expanding insurance business, and the communications role which is the responsibility of the independent insurance press is becoming ever more important.

In no other way can agent, manager or executive keep informed of developments, industry thinking, and innovations—and in no other way can those in the business keep abreast of the best interpretation of the facts as they develop. Competitive national industry newspapers guarantee complete objectivity.

Throughout the history of the insurance business in the U.S. the independent insurance journals have played a major part in the industry's

successful public service function. We believe leading journals have been a tremendous influence for good in the business. The importance of the objective, independent presentation of industry history as it happens, is often lost on many who are prone to take it for granted.

The insurance press, through its published advertising messages and its editorial material, has created a healthy competitive atmosphere in a complicated business fraught with dynamic competitive explosiveness.

The Insurance Field is proud of its history of industry leadership and influence. Started in 1889 the Field originated the daily reporting of major industry, conventions such as NALU; originated the coveted Man of the Year award and the popular convention registration directory service, along with many other projects of industrywide significance.

Life Insurance Editor William D. Elton of the United States Review replied as follows:

For years, the life insurance trade press has kept the lines of communication open between companies and

agents, state legislatures and industry associations. It has helped build morale among full-time life insurance men. It has helped bring dignity to the industry and prestige to deserving underwriters.

Through its columns and company advertising, the U.S. Review and other insurance publications reach down into every market. This is particularly true at the present time, when life insurance is developing vast new outlets for sales through the thousands of property insurance brokers who are expanding their lines of activity. We believe too, that in the near future, company trade press advertising will not only serve in its usual role but may well become the sounding board or pilot background for company promotions on a national scale.

An Enlightened Trade Press

We feel this enlightened trade press is moving with the times. As the business undergoes change, the press itself must meet current challenges. We get a long-range view from the outside looking in, and though our main business is to report happenings in life insurance, our extensive background of the past carries with it a responsibility to help interpret the present and estimate the future.

companies are adopting a new mortality table, based on the improved of today. Is this true? Will it reduce the cost of my life insurance? soon can I expect the reduction? It is true that a new standard mortality table is being adopted by the states. The various states must adopt the table and make it the legal for use in setting up policy plans establishing premium costs.

The new table, already adopted by a number of states, will be based on a much lower death rate than the existing table. But this will not necessarily make any change in policy costs. Certainly will not affect existing policies, only new ones. And inasmuch as policy costs already reflect improved death rates, it probably will change future costs of new policies.

Change Cost

The life companies use the table as the base for establishing reserves. In their premium computations they have used and will continue to use the current mortality, investment and expense rates.

Your life insurance company will probably be adopting the new table as soon as all the states in which it does business permit it. But that will not change the cost of your existing policies and probably will not change the cost of those you may does in.

Q. My cousin and I have been partners in a meat market for several years. He says we ought to go to a lawyer and get some partnership insurance drawn up. Isn't this just a lot of extra expense, as long as we're related anyway?

A. The fact you are related could put a heavy strain on relations among your next of kin if you or your partner dies.

Partnership Insurance

Partnership insurance can do a very important job—it sets down a definite plan of action to go into effect upon the death of either partner. In the absence of legal safeguards, a partnership is dissolved by the death of a partner. The heirs can demand an accounting of the deceased partner's interest. This could tie up the business in a lengthy legal wrangle.

With an insurance plan, the business can be continued and the deceased partner's family can be assured immediate payment of the net worth of his share of the business. This is a matter which should be referred to experts and not left to chance.

Statement Question Answered

Q. Last year I lapsed my life insurance policy, when I was under terrific financial pressure. I would like to have insurance protection again. Do I have to buy a new policy or can I have the old one put back in force?

A. Provided you give your life insurance company evidence of good health and pay up any unpaid premiums, together with interest, you can put the old policy back in force. This has the distinct advantage of giving you a policy further along its way towards bigger cash values, that you can build cash reserves the policy and avoid dropping it in the future, in times of financial pressure. Also the premium to be paid in the future would be slightly smaller than the old policy, because it was bought at a younger age.

Indiana Home Office Underwriters will hold its next meeting Nov. 9 at the Athenaeum in Indianapolis.

Steinberg Course Offers Training For N. Y. Exam

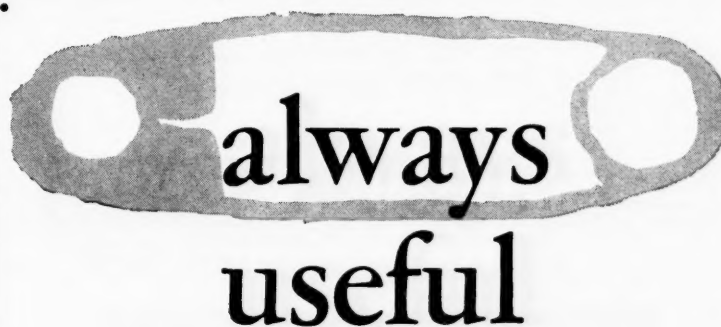
The semi-annual pre-induction training course given by the Steinberg agency, general agents of Massachusetts Mutual at New York, will begin Nov. 29 at the agency, 225 Broadway. The course provides preparation for the New York State examination and serves as an introduction to the programing, estate analysis, and advanced selling procedures employed by the agency. It consists of 11 two-hour sessions every Tuesday and Thursday at 6 p.m.

The material covered includes analysis of policy forms and provisions as well as basic discussions of settlement options, National Service Life Insurance, social security and veterans benefits, introduction to income, gift and estate taxes and problems involving wills and trusts.

Classes will be conducted by Mr. Steinberg and his supervisory staff. Attendance is open to brokers and to those interested in preparing for the examination. Enrollment is by personal interview.

New Handbook Of Illinois Published

A new Underwriters Handbook has just been published by the National Underwriter Co. It provides complete and up-to-date information on the agencies, companies, field men, general agents, groups and other organizations affiliated with insurance throughout the state. Copies of the new Illinois handbook may be obtained from the National Underwriter Co. at 420 East Fourth Street, Cincinnati 2, Ohio. Price \$12.50 each.



no gimmicks to obscure its true worth; a practical basic sales tool with a wide sales appeal.

MANUFACTURERS LIFE'S RETIREMENT ANNUITY (PAR)

It's a new (participating) addition to our portfolio of flexible, high return annuity plans.

IDEALLY SUITED

- to supplement Social Security.
- to be used in situations when the prospect is uninsurable.
- to provide funding for deferred compensation plans
- and for 501 (c) (3) situations (for employees of non-profit organizations).

FOR MORE INFORMATION CONTACT ONE OF OUR BRANCHES IN THE FOLLOWING CITIES

Baltimore • Boise • Boston • Chicago • Cincinnati • Cleveland • Columbus • Denver
Detroit • Flint • Hartford • Honolulu • Indianapolis • Lansing • Los Angeles • Miami
Minneapolis • Newark • Oklahoma City • Philadelphia • Phoenix • Pittsburgh • Portland
Richmond • Saginaw • San Diego • San Francisco • Seattle • Spokane • Washington, D.C.

THE
MANUFACTURERS
INSURANCE **LIFE** COMPANY

HEAD OFFICE (Established 1887) TORONTO, CANADA

82-60

SPAD * works for me!



* Security's Planned Agency Development Program

"SPAD has directly helped increase my production because it places emphasis on the 'how' and provides result-proven audio-visual aids. SPAD is geared to the individual and permits me to use it most effectively in each particular instance."

With SPAD, you know where you're going...today and tomorrow!

Stuart C. Ferris, C.L.U.
Agency Vice-President

SECURITY
LIFE & ACCIDENT CO.

OF DENVER

SECURITY LIFE BUILDING
DENVER 2, COLORADO



"COMPETITIVE?... YOU BET
UNITED LIFE'S COMPETITIVE!
Look at this FAMILY BENEFIT
PACKAGE!"

1. Father selects his basic life insurance plan.
2. He adds to it the United Family Benefit; one unit for basic policy of \$5,000 or more; two units for \$10,000 or more; three units for \$15,000 or more.
3. Designed to give maximum death benefit on mother when children are small and need is greatest.
4. Each child has \$1,000 of level term insurance. Children born during term of Benefit are automatically covered with no increase in cost from 15 days old.

Costs only \$25 per Unit per year!

UNITED LIFE AND ACCIDENT INSURANCE CO.

EST. 1913 CONCORD, NEW HAMPSHIRE

Write H. V. Staehle, Jr., C.L.U., Field Management Vice Pres., United Life, 5 White Street, Concord, N. H.
STATES SERVED: Calif.*†, Conn., Del., Dist. of Col., Fla.*†, Ill.*†, Ind.*†, La., Md.*†, Me.*, Mass., Mich.*†, Miss.*†, N. H., N. J., N. C.*†, Ohio*†, Pa.*†, R. I., Vt.*†, Va.*†.

*Agency Building General Agents' Opportunities Available

†Special Personal-Producing General Agents' Opportunities Available

Disability Insurance Like Savings Account

Insurance that provides disability income does what even the miracle drugs can't do—provides economic life to the disabled and their families, John Sayler, told the Agency Section of American Life Convention which met at the Edgewater Beach Hotel, Chicago.

Mr. Sayler, who is vice-president in charge of sales of Business Men's Assurance, said life insurance is sold because thinking men realize that if they die too soon, their families need guaranteed income to keep on living, and that if they live too long, they need guaranteed income for retirement.

Mr. Sayler's emphasis was on the years between dying today and living tomorrow—the earning years. The hazard of sickness and disability hovers over the family, the hazard of income cut off, income needed to pay the mortgage and the grocery bills. It is to solve the problem of families without income that a disability income plan is needed.

Cites Huge Potential Market

Mr. Sayler pointed out the huge potential market for such income insurance. He said that government sources estimated that approximately \$12 billion of income was lost through disability last year, but that the Health Insurance Council reported that our employed people owning some form of disability income received less than \$1 billion in benefits. The real significance of the more than \$11 billion in income lost and income replaced is that many mortgage payments, grocery bills, and other bills went unpaid.

The market is there, Mr. Sayler said, for with more than 72 million employed, only 42 million, according to the Health Insurance Council, own some form of disability income.

Mr. Sayler continued by pointing out that the income protection idea is savings, too, an account set aside, ready for withdrawals when disability strikes. It means that the disabled person may continue his savings program even when his income is cut off.

"A combination disability-life insurance program offers what no other investment plan can match," Mr. Sayler said, "a savings plan which pays guaranteed tax-free dollars during disability, guaranteed cash for emergencies, and guaranteed income for retirement." People owning such a plan will "be much less susceptible to the pleadings of the peddlers of 'get rich with the stock market' schemes," he said.

Mr. Sayler pointed out the application of the disability income to such special need sales, such as mortgage insurance and business insurance.

Benefits Are Tax-Free

Disability income dollars are tax-free dollars, Mr. Sayler pointed out. For this reason, a man may get along on less than his current earning rate, because the \$300, \$400 or \$500 per month of his disability income is net income. It is up to the companies to merchandise plans in terms of before-tax equivalents to make the product even more attractive to the buyer.

Mr. Sayler said that the companies can fit the plans to the needs of the individuals. By applying longer elimination periods of 30, 60, 90 days or longer, where employee welfare plans do exist and pay salaries for a certain term after disability begins, the insurance policy can provide protection to begin when salary continuation plans terminate.

Am. General Group Has New Ad Series

A new series of advertisements directed to the life industry has been started by the life companies of American General group. The series will be carried in several leading life insurance journals.

Marks First Appearance

The series marks the first appearance in the national journals of "The Back Page," a monthly essay by Benjamin N. Woodson, senior executive officer in charge of life operations of American General group. A long-standing feature of the company magazine within the group, the essays have been written monthly for over twenty years by Mr. Woodson—originally Life Insurance Agency Management Assn., with whom he was then associated, later for Commonwealth Life where he served as executive vice president, for NALU when he was managing director of that body, and since 1953 for American General.

The company believes the ads represent a "considerable departure from the general tone and tenor of the trade journal advertising. It is our hope and our purpose that these ads will serve to inspire and enlighten the underwriters everywhere, help them do a better job and, in so doing, increase their own stature and that of the industry."

ACTUARIES

Alvin Borchardt & Company
CONSULTING ACTUARIES
= AND =
INSURANCE ACCOUNTANTS
Detroit Atlanta

BOWLES, ANDREWS & TOWNE, Inc.
ACTUARIES
MANAGEMENT CONSULTANTS
LIFE—FIRE—CASUALTY
EMPLOYEE BENEFIT PLANS
RICHMOND ATLANTA NEW YORK
PORTLAND DALLAS MIAMI

Haight, Davis & Haight, Inc.
Consulting Actuaries
Insurance—Pensions
2801 North Meridian St. 5002 Dodge St.
Indianapolis 8, Ind. Omaha 32, Neb.

E. P. HIGGINS & COMPANY
Consulting Actuaries
Auditors and Accountants
Pension Consultants
Bourse Building Philadelphia 6, Pa.

Irwin Solomon & Co.
Consulting Actuaries
Management Consultants
342 Madison Avenue
New York 17, N. Y.

HARRY S. TRESSEL & ASSOCIATES
Consulting Actuaries
Insurance—Pensions
10 South La Salle Street
Chicago 3, Illinois
FRanklin 2-4020

Nixon, Kennedy Give Insurance Views

(CONTINUED ON PAGE 1)

with him. However, in offering his own view, Mr. Kennedy said he regards life insurance as "performing a most valuable function for our citizens."

Mr. Kennedy noted the steady growth of private insurance plans and said this shows that the American people have accepted them as an important part of their security planning. He also stated that social security and life insurance "complement" each other. He does not think that "the continuance of private insurance is at all inconsistent with enlarging social security benefits."

Commenting on Sen. Kennedy's letter, Mr. Adams said it would appear that his conviction that the growth of private insurance plans will not be impaired by continued expansion of social security benefits is just the opposite of the position held by NALU.

Sees Incentive, Ability Weakened

"It is NALU's belief," said Mr. Adams, "that unless held in reasonable check, social security benefit levels and social security taxes will inevitably reach the point where both the incentive and the financial ability of the American people to provide for their own financial security through voluntary, private insurance plans will be seriously weakened, if not destroyed."

Following are the full texts of the Nixon and Kennedy letters to Mr. Adams.

From Mr. Nixon:

"It has always been my view that the economic strength of this country lies in the initiative and enterprise of its people. We must encourage these wellsprings of our economic power if we are to continue and to increase the rapid growth which has made us the strongest nation in the world."

Wants Private Plans Encouraged

"In maintaining this view I have consistently advocated that federal assistance programs must allow for the encouragement of related activities of private enterprise. For example, my proposals for medical care for the aged allow our citizens to choose the plan they want to follow, and one of these plans is intended to encourage the widespread use of private insurance, not to discourage it."

"Wherever private enterprise is willing and able to meet the needs of our people, it should be encouraged to do so. And such encouragement may require the readjustment of our tax system for the purpose of stimulating economic achievement. Here again, we are stating that our reliance is upon the initiative of the American people. They alone can keep this country great, and make it even greater."

Reuther's Testimony Not Read

Sen. Kennedy wrote: "While I have not had an opportunity to read Mr. Reuther's testimony of 10 years ago or to discuss the matter with him, I would be glad to give you my own views on the importance of private insurance plans."

"The insurance industry performs a most valuable function for our citizens. It brings to their attention the need for a financial plan for the future. It helps them select the plans most suitable to their needs. The steady growth of private insurance plans shows that the American people have accepted them as an important part of their security planning."

"I do not think that the continuance of private insurance is at all incon-

sistent with enlarging social security benefits. In fact, the growth of private insurance since social security was enacted is evidence that social security has focused attention on the need for insurance and strengthened interest in life insurance and private insurance plans. Social security and insurance complement each other."

"I believe that my own proposals in this field would have a similar effect, and would not impair the work of insurance carriers."

U. S. Life Agents Earning Double Credits With Term Conversions In November

United States Life has named November as "Term Conversion Month," during which term conversions will earn double credit toward qualification for the company's regional conferences in June at the Grove Park Inn, Asheville, N.C., for eastern producers, and at the Broadmoor, Colorado Springs, for midwest and Pacific producers.

To attend, qualifying producers must earn \$2,500 in first-year commissions. New agents may qualify on a pro-rata basis with as little as \$2,000 in credits.

Gordon E. Crosby Jr., vice-president and director of agencies, said, "The entire life insurance industry has been concerned for some time with increasing the sale of permanent life insurance. We at United States Life are very much in accord with this, especially in terms of the advantages it will bring to the producer—improved persistency and increased earnings. Furthermore, we believe that term conversions are an essential part of this important program."

Mass. Mutual Sales Contest Quota Set At \$200 Million

A goal of \$200 million has been established for Massachusetts Mutual's annual "Quota Buster" sales campaign. The contest will continue through Nov. 18.

This annual sales drive, which began in 1948, is sponsored by Massachusetts Mutual's general agents association. Each of the company's agencies is pitted against another agency of about equal size in another city to see which can exceed its quota by a larger percentage.

The agencies are also divided into four groups, based on the population of agency territories. To qualify for an award, an agency must deliver 75% of its written new business within three months following the contest. Individual recognition is also given to the agent who produces the largest amount of written new business.

From Boston to Bombay, greetings are extended by Byron K. Elliott, second from left, president of John Hancock, and Noel S. Baker, left, vice-president, to visiting insurance executives from India. From Mr. Elliott to the right are Jayasing Rana-dive, a *actuary* of Life Insurance Corp. of India; Sirulur Srinivasan, the Indian company's managing director; Ravindra Mehta, its secretary, and Kris Bahadur of John Hancock's personal health department and formerly of India, who was on hand to greet his countrymen.



A REAL SALES MAKER for the WOMEN'S MARKET!

COLONIAL LIFE'S PERSONAL ACCIDENT AND HEALTH POLICY FOR CAREER WOMEN

GUARANTEED RENEWABLE TO AGE 62

... A time when Social Security Benefits become available to women

PROVIDES LOSS OF INCOME BENEFITS

from \$100-\$300 per month

under 2 different benefit plans with various waiting periods

ACCIDENTAL DEATH BENEFITS

OPTIONAL BENEFITS

■ Hospital Expense

■ Surgical Expense

The Colonial Life



INSURANCE COMPANY OF AMERICA

Home Office: East Orange, New Jersey

Affiliated with Chubb & Son Inc.

through Federal Insurance Company



SIXTY GOOD YEARS . . .

AND A FUTURE UNLIMITED!

Atlantic Life

INSURANCE COMPANY

HOME OFFICE RICHMOND, VIRGINIA



WANT ADS

Rates—\$22 per inch per insertion—1 inch minimum—sold in units of half-inches. Limit—40 words per inch. Deadline 4 P.M. Friday of week before publication in Chicago office—175 W. Jackson Blvd. Individuals placing ads are requested to make payment in advance.
THE NATIONAL UNDERWRITER—LIFE EDITION

\$25,000

Minimum Annual Salary for

Life Insurance Company Agency Director
offered by three-year old Southern life insurance firm having \$2,500,000.00 surplus. Individual selected must have proven, successful record in life insurance sales production, and training of field managers. Send detailed resume of qualifications and photograph to P. O. Box 455, Memphis, Tenn. All replies held in strict confidence.

ACTUARY

Are you interested in an actuarial career? Are you willing to qualify in the Society of Actuaries and the Casualty Actuarial Society? If so, an excellent opportunity is available in a large all-lines company which is seeking a young man for its rapidly growing actuarial department. Answers confidential. Write, including details of education, experience, and professional progress to Box U-31, National Underwriter, 175 West Jackson Blvd., Chicago 4, Illinois.

BRANCH MANAGER WANTED FOR TORONTO CANADA

Continental Assurance Company offers excellent opportunity for qualified person to head up Toronto office. This branch is developed but managership is new position. Individual must have both brokerage and career experience with U.S. Company. Must be under 40. Will be housed in our new Canadian head office. Write particulars to:

H. S. Betts
Continental Assurance Co.
310 S. Michigan Ave.
Chicago, Illinois

ACTUARY WANTED—Opening for a Fellow of the Actuarial Society. Middle West location with a highly successful firm of Actuaries and Employee Benefit Consultants. Profit-Sharing, Pension and all Fringe Benefits. Also a chance to acquire partnership in Company. Experience in this field unnecessary. Applicant must not be over age 40. Reply to Box U-21, National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

ACTUARY

One of the top 25 Eastern Life Companies requires an Actuary who can accept substantial responsibility in areas such as mortality, valuation, product development, or group. A fully qualified Fellow of Society of Actuaries is preferred.

Answers confidential. Please supply resume giving complete background information. Send to Box U-44, National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

OFFICE MANAGER

Age 30 to 40 to assume complete responsibility for administration of Accounting Department of rapidly growing life insurance company with home office in Richmond, Virginia. Must be experienced in the life insurance business. Responsibilities will include direction of clerical personnel, handling correspondence and other administrative functions. Must be able to follow established procedures to meet rigid schedule. Responsibilities will not include general ledger or financial statements but basic knowledge of accounting is essential. This position offers an exceptional future to the man with drive, imagination and the will to be successful. Reply in confidence, giving age, education and experience. Write Box U-49, National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

Our employees know of this ad.

Florida Opportunity

Local Agency—Fire—Casualty—Life

Owner in late 60's wishes to retire, will continue as part time solicitor if desired. Located in excellent community of 30,000 in heart of central Florida citrus industry. Total volume \$180,000 of quality business. 40% fire and 60% casualty, auto & life.

Representing only the most reputable stock and mutual companies. 70% of purchase price can be financed over 5 year period. For an experienced underwriter this is an excellent opportunity. Replies from principals only. Box U-52, National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

SUPERINTENDENT or REGIONAL DIRECTOR OF AGENCIES

Presently Available

Canadian in early 40's been with one of World's largest multi-line companies, does not operate in U.S.A., fourteen years, twelve years as Agency Life Manager, two as Agent. Short period with U.S. company as director of Training. Built branch to 30 million in force. Desires to relocate in U.S. as Superintendent or Regional Director of Agencies. Very conversant with Home Office Agency procedures. Successful experience in recruiting and training Agency Managers. Married, two college children.

Reply Box NY-42, National Underwriter, Adv. Dept., 17, John St., New York 38, N.Y.

ADMINISTRATIVE EXECUTIVE seeks position

with either a life or fire & casualty co. Experienced in accounting, IBM, underwriting, and some sales supervisory work. Box U-45, National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

James F. Oates Jr., president of Equitable Society, initiates a hearty handshake with Roy Turner, former governor of Oklahoma. Meeting took place when Mr. Oates was named a charter life member of the Cowboy Hall of Fame and Western Heritage Center, which will be established in Oklahoma City. Mr. Oates was honored following his address to the Oklahoma City Chamber of Commerce.



Underwriters Told How They Can Use Build-Blood Study

(CONTINUED FROM PAGE 2)

cisely the limits of normal and abnormal blood pressure. A modern medical dictionary, he noted, defines hypertension simply as "an especially high blood pressure," while Robbins' textbook on pathology says "most definitions of hypertension follow the pattern set by life insurance companies which define hypertension as any elevation of pressure above 140/90."

Dr. Cochran warned, "We have every reason to be concerned about the heavy concentration of reports on insurance applicants—at certain levels of systolic and diastolic readings and the prevalence of certain combinations of the two. No mortality investigation can tell us why this should be and we can only guess what blood pressures of this type may mean. We should not generalize that all examiners report incorrect readings or that they will shade borderline pressures in favor of the applicant. This implies a lack of confidence which is not deserved, for the majority of examiners are honest and sincere."

"However, considering the circumstances under which the examinations are often made—circumstances inherent in the business of selling insurance and processing of the examination through third parties, and which may, if not handled properly, detract from the dignity of a competent examiner—we should not be surprised that in certain areas of blood pressure of doubtful clinical, or underwriting, significance some shading may occur."

"Particularly would this be at levels clustered around 140/90 since it has been the general impression that the life insurance industry considers this level the dividing line between the normal and the abnormal. But, whatever the reasons for this unusual clustering of blood pressure readings, the chances are good that they will continue to characterize the life insurance examination in the future as they have in the past," Dr. Cochran said.

ACTUARY

Responsible position for actuary having passed any exams from one to five with leading New England employee benefit consulting firm.

Warner-Watson Inc.
75 Federal St.
Boston 10, Mass.

LIFE COMPANY NEEDED

to make 80% real estate loans and write debt cancellation—we can service loans.

COLONIAL AGENCY

1501 No. Main St. Edwardsville, Illinois

Occidental Of Cal. Has Group Major Medical Based On Income Class

Occidental Life of California is offering "Income-Balanced Major Medical" as a solution to the rising costs of group major medical care.

The plan features the grading of cash deductibles and coinsurance according to income classes of employees. The grading process produces a savings in premium dollars over the most conventional major medical plan with its flat \$50 deductible and 80% reimbursement to all employees regardless of salary class. The plan takes into account that employees with higher incomes can afford to pay a higher deductible amount plus a higher percentage of the total medical costs after deductible (coinsurance).

While the deductible and co-insurance increase correspondingly with income class, a higher surgical allowance is provided for higher income employer to group his employees by charges are generally increased as income increases. The plan enables an employer to group his employees by their salary class, then to select a deductible, a coinsurance percentage and a surgical schedule for each group. He also chooses the maximum amount payable for all employees.

Surgery Schedule

Occidental pays all covered expense above the deductible amount and co-insurance percentage up to a selected total maximum amount which can be as high as \$10,000. For surgery, the company pays 100% of the amount allowable on a schedule for the particular surgical procedure—above the deductible amount up to the \$10,000 maximum.

To limit administrative complication and costs, changes in income classes are made only once a year at the beginning of the calendar year.

Policies covering less than 200 employees are pooled for experience rating. The pooling of policies will tend to stabilize the premium costs. The deductible of the income-balanced plan must be satisfied only once during a calendar year, and credit toward the deductible during the last three months of the calendar year is applied to the following year's deductible. As an Occidental standard feature in major medical insurance, the plan offers a choice of family deductible or common accident deductible. And, in addition, there is a revolving total maximum amount: the total amount of benefits paid during the first year of the policy are reinstated automatically in the sixth, total benefits paid in the second year are reinstated in the seventh, and the procedure repeated each succeeding year.

Insurance
Prices

The bid price
representative list
Oct. 31,
prices at Jun
given in the
by Levering
Valleau & C
stocks, Boar
cago.

Adjustment
bids to t
dividends and s
stock dividend
3-1 split for
stock dividend
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Company
Acta Cns.
Acta Fire
Acta Life
Agricultural
All-Am. L.&C.
Am. Equitable
Am. General
Am. Home
American
Am. Motorists
Am. National
Am. Reinsuran
Am. States
Bankers & Shi
Beneficial Std.
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B. M. A.
Cal-West. State
Canden
Combined
Commonwealth
Conn. General
Cont. Assur.
Cont. Cas.
Continental
Crum & Forster
Empl. Grp. As
Employers Reim
Farmers New
World Life
Farmers Unds.
Federal
Fidelity & Dep
Fireman's Fund
Franklin Life
General Amer.
General Reins.
Globe & Rep.
Gort. Employe
Gort. Empl. Li
Great America
Great Amer. L
Und.
Great Southern
Great-West Life
Great-West Life
Gulf Life
Hanover
Hartford Fire
Hart. Steam Bo
Home
Ins. Co. of No.
Interstate F.&
Jeff. Standard
Jersey
K. C. F.&M.
K. C. Life
Lamar Life
Liberty Natl. L
Life Companies
Life & Cas.
Life of Va.
Lincoln Natl. L
Maryland Cas.
Mass. Bonding
Mass. Indemnity
Mass. Protective
Merchants Fire
Merch. & Mrs
Midwest United
Monumental L
National Fire
Natl. Life & A
Natl. Old Line
National Reser
National Union
Nationwide Co
New Amst. Ca
New Hampshire
No. Am. Life
Northern of N
Northern Life
N. W. Natl.
N. W. Natl. Li
Ohio Cas.
Ohio State Life
Old Republic L
Old Republic L
Old Republic L
Pacific of N. Y
Pacific Indem.
Peerless
Philadelphia L
Phoenix of Har
Postal Life
Prov. Life & A
Quaker City L
Quaker City L
Reinsurance Co
Reliance
Republic, Dall
Republic Natl.
St. Paul F.&M
Seaboard Suret
Security
Southland Life
Southwestern L
Springfield F.

Insurer Stock Bid Prices Are Listed

The bid prices for stocks of a representative list of insurance companies on Oct. 31, together with comparable prices at June 30 and Dec. 31, 1959, are given in the table herewith as prepared by Levering Cartwright of Cartwright, Valleau & Co., specialists in insurance stocks, Board of Trade Building, Chicago.

Adjustments were made in the earlier bids to take account of stock dividends and splits, these being a 3 1/2 stock dividend for Combined Ins. Co., a 3-1 split for Pacific Indemnity, and 8 1/2 stock dividend for Western Casualty & Surety.

Company	12-31-59	6-30-60	10-31-60
Aetna Cas.	80 3/4	78	87
Aetna Fire	76	79	86
Aetna Life	85 1/4	80 1/2	80 1/2
Agricultural	28	31	29 3/4
Am. L. & C.	10	8 3/4	7 3/4
Am. Equitable	40 1/2	36	42
Am. General	33 1/2	34 1/2	31
Am. Home	40	43	40
American	26 1/4	26	26 1/4
Am. Motorists	14 3/4	13 3/4	15
Am. National	8 3/4	7 3/4	7 3/4
Am. Reinsurance	42 1/2	43	39
Am. States	29 1/4	30 1/2	28
Bankers & Shippers	57	55	55
Beneficial Std. Life	16	14 1/2	13 1/2
Boston	33	33 3/4	31 1/2
B. M. A.	40	41 1/2	39
Cal.-West. States	56 1/2	50	45 1/2
Camden	34	33 1/4	32 1/4
Combined	33	34	32 1/2
Commonwealth	21 1/4	18 1/4	18 3/4
Conn. General	354	345	388
Cont. Assur.	155	141	165
Cont. Cas.	72	72	76
Continental	54 1/2	52 1/4	47 1/2
Cum & Forster	68	64	69
Empl. Grp. Assocs.	36	40	37
Employers Reins.	53	51	59
Farmers New			
World Life	110	105	105
Farmers Unds.	35	35	40
Fidelity	59	56 1/2	60
Fidelity & Deposit	50	46 1/2	48
Fireman's Fund	51 1/4	56	47
Franklin Life	80 3/4	70 1/2	64
General Amer. Corp.	170	146	131
General Reins.	91	99	110
Glens Falls	34	35 3/4	32 3/4
Globe & Rep.	20 1/2	19 1/4	21 1/2
Govt. Employees	88	78	72
Govt. Empl. Life	59 3/4	58	52
Great American	43	43 1/2	44 3/4
Great Amer. Life			
Und.	680	640	690
Great Southern Life	83	68	67
Great-West Life	344	345	360
Gulf Life	20 1/4	18 3/4	16 3/4
Hanover	39 1/2	42 1/2	42
Hartford Fire	50 1/4	48 1/4	49
Hart. Steam Boil.	86 1/2	83 1/2	75
Home	53	54 1/2	59 1/4
Ins. Co. of No. Am.	65	64	62
Interstate F. & C.	15 3/4	12 3/4	14 1/2
Jeff. Standard Life	48 1/4	38 1/2	39 3/4
Jersey	35	31 1/2	32
K. C. F. & M.	25	28 1/2	31
K. C. Life	1420	1220	1210
Lamar Life			30
Liberty Natl. Life	62 1/2	56 1/4	56
Life Companies			97 1/2
Life & Cas.	22	16 3/4	15 3/4
Life of Va.	50	50 1/2	52
Lincoln Natl. Life	245	237	199
Maryland Cas.	36 1/4	35 1/2	34 1/2
Mass. Bonding	36 1/4	41	35
Mass. Indemnity	39 1/2	40	34 3/4
Mass. Protective	66	71	68
Merchants Fire	30 3/4	31	33 1/2
Merch. & Mfrs.	13 1/4	12 1/4	13 1/2
Midwest United	36	34 1/2	34
Monumental Life	57	53	52 1/2
Natl. Fire	142	142	110
Natl. Life & Acc.	115	98	107 1/2
Natl. Old Line	15 3/4	15 1/2	12 1/4
National Reserve	158	155	150
National Union	36 3/4	35 1/4	36 3/4
Nationwide Corp.	37 3/4	32 1/2	26 1/4
New Amst. Cas.	48 3/4	50 3/4	52 1/4
New Hampshire	51	52	52
No. Am. Life	14	13 1/4	12 3/4
Northern of N. Y.	41 1/2	39 3/4	39 3/4
Northern Life	136	136	132
N. W. Natl.	98	93	83
N. W. Natl. Life	97	93	93
Ohio Cas.	28 1/2	23 1/2	26 1/2
Ohio State Life	62	43 1/2	36 1/2
Old Line Life	72	60	60
Old Republic Life	15 3/4	19	17
Old Republic Ins.	14	15 1/4	13 1/2
Pacific of N. Y.	58	55	54
Pacific Indem.	21 1/2	25	25 1/4
Peerless	22	20 3/4	20
Philadelphia Life	43 3/4	49	49
Phoenix of Hartford	82 1/4	78	79 3/4
Postal Life	17	15	16 3/4
Prov. Life & Acc.	99	81	80
Prov. Wash.	20 1/2	20 1/2	18
Quaker City Life	46 3/4	50 1/4	47 3/4
Reinsurance Corp.	19	21 1/2	22
Reliance	49	53 1/2	55
Republic, Dallas	60 3/4	55	52
Republic Natl. Life	33	35 3/4	30
St. Paul F. & M.	60 3/4	56 1/2	55 1/2
Seaboard Surety	43	33	32 1/2
Security	42	51 1/2	57
Southland Life	98	88	81
Southwestern Life	60	52	50
Springfield F. & M.	30 3/4	32 3/4	30 1/4

IAHU Holds 1st Board Meeting Of Season; Hears Encouraging Reports

International Assn. of Health Underwriters at the first board meeting of 1960-61 heard an encouraging report from President Kenneth L. Stoakes, Loyal Protective, Los Angeles. In the education field, he said the advanced health insurance sales and underwriting seminar held at Purdue University was an "unqualified success" and the education committee is empowered to go ahead with plans for another seminar in April.

Following this seminar, curriculum and texts will be further developed so the program can be put on in other schools around the country. The association's educational effort henceforward will be in the direction of 2 1/2-day advanced seminars, rather than along the line of 13-week basic courses. Reports were made on two meetings held in October—Central Iowa association's sales congress, which set an all-time attendance record of 650, and a meeting of the Oklahoma association. —Friday, Oct. 13, was selected as Hoodoo Day, with promotion to begin early in the summer so that a greater segment of the business will be able to take part.

—New associations were formed in

Conn. Mutual To Increase Dividends, Interest Rates

Connecticut Mutual Life policyholders will receive a record \$35.2 million in dividends in 1961, an increase of 121% over the 1960 total. The company will also boost interest rates on dividends left with the company. The new rate will be 3.8%, as compared with the current 3.5%. The 3.8% interest rate will also apply to policy proceeds left with the company.

several parts of the country, and all associations have been assigned a quota designed to bring membership by next June to 6,100.

Fay F. Cline, Travelers, Richmond, was named to the board. He will serve for one year and be the IAHU link between the associations in Virginia in his capacity as zone chairman. He replaces St. George Grinnan of the agency bearing his name, Richmond, who left the board.

Edward H. O'Connor, Insurance Economics Society and chairman IAHU legislative committee, said that so far only Michigan has passed legislation enabling the state to take advantage of federal matching funds provided under a bill that became operative Oct. 1. Unless the states pass legislation, "the hue and cry in early 1961 will again be for a Forand-type bill," he said. Already labor groups are asking for a "little-Forand" bill in California to tack on the compulsory cash sickness law.

Mr. O'Connor said that health insurance people should begin to think about taking part in the solution of old age nursing home care problems. "This is an area government will enter increasingly if alternative solutions are not found."

VA Rules Promulgated By D. C. Department

(CONTINUED FROM PAGE 1)

shall receive directly or indirectly any commission on the business transactions of the company.

"The company will effect no transfer of assets or liabilities to or from the variable contract account except in making the adjustments necessitated by contract and the mortality experience adjustments specified in District of Columbia code section 35-541(a). Such adjustments shall be made by a cash transfer only.

"The company will value assets of the variable contract account at market values, where possible, or, in the absence of a market value, by appraisal.

"Each company will file with its annual statement the supplement included with the blank form.

"All variable annuity contracts and the applications therefor will contain a prominent notice that annuity payments are variable and are not guaranteed as to fixed dollar amount.

"The company will establish one or more separate bank accounts into which only and all variable contract premiums and considerations will be deposited. All amounts so deposited will be appropriately transferred periodically, consistent with the company's general accounting procedure.

"For each variable annuity contract the company will maintain a history record card or ledger sheet showing, in addition to the usual premium or contract consideration information, each net annuity consideration applied and the increment and accumulated balance on either a unit or dollar value basis."

How the D. L. B. AGENT'S SERVICE ... Multiplies Your Selling Time!

- Each month the DLB staff reads hundreds of publications from which much of the material in the D.L.B. Agent's Service is obtained. These publications include company house organs, agency bulletins, current periodicals, trade papers, institutional releases, and many articles sent in by insurance men and women throughout the country.
 - An equally valuable source of information is the constant personal association the DLB staff maintains with insurance men in the field—such as participating in numerous life insurance organizations both local and national, sales conventions, speaking engagements, and visits to agencies and home offices.
 - From these many sources the most timely and profitable material is extracted for your benefit . . . to make the D.L.B. Agent's Service monthly issue a synthesis of current material designed to reduce the time you must spend reading to improve your skills as a career life underwriter.
 - Streamlining procedures go on constantly, too. As sections become out of date or bulky, they are revised by the DLB staff. Thus, the time required for you to study or refresh your memory on any subject is kept to a minimum.
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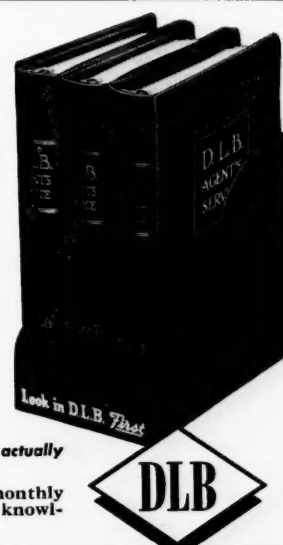
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Presented here regularly for the edification and enlightenment of life underwriters everywhere by the Life Insurance Members of the American General Group.

THE SALE I DIDN'T MAKE

MY MOST INTERESTING and memorable sale, did you ask? Well, sir, interestingly enough, I would have to give that honor to an instance where I *failed* to make the sale, not one where I succeeded.

The place was Seattle. The time was the autumn of 1933 or the spring of 1934. I was a young general agent, devoting most of my waking hours to building up a small agency and trying to maintain a respectable personal production in such free moments as I could find for that purpose.

We will call my prospect Lee Higgins, which is sufficiently similar to his real name to arouse vivid memories in my mind. He was a bright young associate of one of the city's leading real estate and property management firms. I had first met him when seeking office space in the building he managed, although as matters turned out we did not become his tenant. Later I met him again, this time at luncheon with a mutual friend. A preliminary interview, obtained against some considerable resistance on his part because he was "not interested in even *discussing* life insurance," uncovered the fact that he had a wife and two small daughters, a hopelessly inadequate amount of life insurance, a reasonably good income—and no disposition whatever to consider his life insurance situation further . . .

But there was, at the last moment, the merest hint of willingness to talk about educational endowments for his two little girls.

I came back to see him, later, for a second interview, with the proposal that he buy a couple of \$2,000 endowments for his daughters, ages two and four. I reiterated once again my conviction that first of all he should own considerably more insurance on his own life. But since he had told me emphatically that the only thing he would consider would be short-term endowments for his daughters, I showed him the figures on two \$2,000 educational policies, one to run for 14 years, one for 16. I kept my conscience clear, after a fashion, by recommending that these policies be on his own life, rather than on the lives of the children, in view of the inadequacies of his own life insurance.

I POINTED OUT that a \$2,000 educational fund would provide only about \$550 a year, in round figures, for a four-year tour of duty in college. But I suggested that this foundation would assure each of his daughters a college education of sorts whether he lived or not—and that no doubt he would be able to supplement that small sum from current income should he live to see the girls reach college age.

He showed a flicker of interest. Then I told him that if by any chance he should not live for the 14 or 16 years involved, the policies would be death claims on his own life, and the money would be held until the girls reached college age, and meanwhile would pay a small interest income. The flicker of interest became a small flame.

Then I told him that in order to buy a total of \$4,000 of future money he would need give my company only some \$3,600 or \$3,700, since compound interest would make up the difference, and pay for the insurance on his life as well. The tiny flame of interest grew somewhat larger.

Finally, I told him that this \$3,600 or \$3,700, spread over 16 years in one case and 14 in the other, would require an immediate annual outlay of about \$250.

And his interest dropped to zero!

I shall never forget how he exploded. "Two hundred and fifty dollars! Why, that's ridiculous. It's out of all reason. I wouldn't dream of paying \$250 a year for \$4,000 of life insurance. Take it away. Don't bother me with it again."

NOW THAT IS ALMOST the end of the story. He told me \$250 was a lot of money . . . and because I thought so, too, he sold *his* idea to *me*; I didn't sell mine to him. I did not make the sale.

But I profited by it, nevertheless. The benefits of that sale which I failed to make were great and lasting. They came to me in two installments: one shortly afterward, the other a year later.

First, some days after that interview I began to realize where I had failed. My mistake was, of course, that I had allowed him to think of \$250 as "a lot of money" for a life insurance policy. Perhaps I was guilty of thinking so, too. In any case, I let him think so, and naturally he didn't buy.

I began to realize that my trouble lay in my failure to say—*"If \$250 is a lot of money, it is because college educations for two daughters cost a lot of money. Books and clothing and tuition, and three meals a day, and decent and respectable shelter for the sweet young ladies your daughters will be—those things cost a great deal of money. Those are the things which cost money—not my policy. Indeed, my policy costs nothing and shows a handsome profit besides. My policy says you can have \$4,000 worth of college education (indeed, \$4,400 if paid out over a four-year period) for \$3,600—and then have 16 years over which to spread that \$3,600! Tell me that college educations are too expensive if you will (and, in saying so, you may be saying there will be none for your daughters) but don't tell me that my policy costs too much!"*

Yes, that was the first benefit I derived from that sale: the gradual realization that it is never the *POLICY* which costs but, rather, the *BENEFIT*.

LESS THAN A YEAR LATER came the second lesson. Lee Higgins was killed in an automobile crash. No, the cars were not moving at high speed. It was just a simple little low-speed crash at a downtown intersection. And what's more, he had the right-of-way. But that didn't help any when that undramatic little collision spilled him out of the car, threw his head against the pavement, and brought his death from a fractured skull within a few hours.

And thus my second lesson: Those two small girls were denied educational funds, *because I let HIM sell ME*.

From that moment forward, I have accepted the responsibility to do my utmost to sell my listener, and never let him sell me. I make no apology for driving for affirmative action as vigorously as I know how. I am willing, without the slightest abashment, to bring to bear all the sales pressure of which I am capable.

I remind myself that I wouldn't be discussing a particular policy plan and a particular amount with this prospect were it not that his need is clear-cut and evident—and that he wouldn't be listening to me unless deep in his heart he knows it, too. I remind myself that he will almost certainly buy too little life insurance, too late, unless I help him overcome inertia, and unless I urge him and help him to make the difficult and often unpleasant decision to set aside some of today's dollars for important benefits tomorrow, instead of spending them now for benefits less important but more immediate, and therefore more appealing.

AND SO, thanks more to Lee Higgins than to any other one experience—thanks to a sale I *didn't* make—I carry with me wherever I go the twin convictions that it *isn't* the policy which costs, it's the benefit . . . and that it is my duty and responsibility to do my utmost to sell my listener, and not to let him sell me.

Best wishes,

American General Life Insurance Co.
Houston, Texas

Knights Life Insurance Company
Pittsburgh, Pa. - Lincoln, Nebr.

The Home State Life Insurance Company
Oklahoma City, Oklahoma

Hawaiian Life Insurance Company, Ltd.
Honolulu, Hawaii

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